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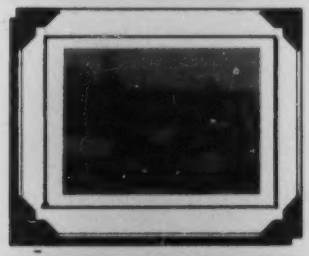
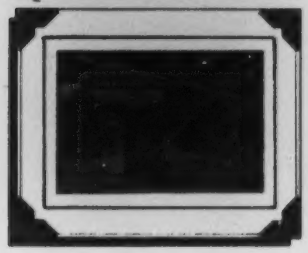
State of Washington COMPREHENSIVE ANNUAL FINANCIAL REPORT for the fiscal year ended June 30, 1988.

Washington





Washington

Washington's cities: yesterday and today

As Washington celebrates a century of statehood, our cities continue to grow and change with time. Their rich histories reflect the evolution of style and technology over the years.

Our front cover features the Old Territorial Capitol in Olympia, The old town of Winthrop, and the old ferry docks in Bellevue, Washington.

The divider pages of this report provide a glimpse into the past of various Washington cities in contrast to how they look today.

Of course, most cities have changed dramatically. Yet, naturally or through restoration of early architecture, some have managed to maintain their original personalities.

STATE OF WASHINGTON
Booth Gardner, Governor

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 1988

Prepared by
Office of Financial Management
Richard A. Davis, Director

Olympia, Washington

STATE OF WASHINGTON

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Olympia

Washington

Introductory Section

STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, M.S. AQ-44 • Olympia, Washington 98504 • (206) 753-5450

December 19, 1988

The Honorable Booth Gardner,
Governor of the State of Washington,
and Members of the Legislature

In accordance with Chapter 43.88 of the Revised Code of Washington, it is my pleasure to transmit to you the COMPREHENSIVE ANNUAL FINANCIAL REPORT of the state of Washington for the fiscal year ended June 30, 1988. This report has been prepared by the state's Office of Financial Management. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the state. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the state. All disclosures necessary to enable the reader to gain an understanding of the state's financial activities have been included.

The report is presented in three sections: introductory; financial; and statistical. The introductory section includes this transmittal letter, graphic presentations of revenues and expenditures, the state's organizational chart and a list of principal officials. The financial section begins with the State Auditor's report and contains the general purpose financial statements, notes to the financial statements, combining financial statements by fund type, account groups and other schedules. The statistical section includes selected financial, economic and demographic data.

The state provides a wide range of services. These include education, social and health services, transportation, law, public safety, resource and recreation development, public improvements, and general administrative services. The accompanying report includes all funds and account groups for which the state exercises oversight responsibility. The determination of "oversight responsibility" is based on criteria established in the codification of Governmental Accounting and Financial Reporting Standards, section 2100. Note 1.A to the combined financial statements explains more fully what financial activities are included and excluded from the reporting entity.

ECONOMIC CONDITION AND OUTLOOK

FISCAL YEAR 1988 ECONOMIC REVIEW

Fiscal Year 1988 was a very good year for the Washington economy. Nonagricultural employment increased by more than 80,000, a gain of 4.5 percent over Fiscal Year 1987. By comparison, employment nationally increased 3.4 percent during the same period. The state's unemployment rate in June 1988, the final month of the fiscal year, was 6.4 percent (not seasonally adjusted), compared to 7.1 percent in June 1987. This was the lowest rate of unemployment in ten years.

Virtually all major sectors of the state's economy contributed to the growth of employment in Fiscal Year 1988. Aerospace, Washington's largest and most important manufacturing industry, had an excellent year in 1988. Aerospace employment ended Fiscal Year 1988 above 100,000 for the first time in twenty years, as the Boeing Company's sales and order backlog were at record levels. Fiscal Year 1988 was also a good year for forest products, the state's second largest manufacturing sector. Demand for paper products has been very strong, and facilities in this industry have been operating close to capacity. The lumber and wood products industry has benefited from the decline in the value of the dollar since 1985, and the resulting increase in exports. Among nonmanufacturing industries, construction employment increased by 6,000, or 7.0 percent in Fiscal Year 1988, as growth occurred in both residential and nonresidential construction. The fastest growing nonmanufacturing sector during Fiscal Year 1988 was services, where employment increased by almost 30,000. Seattle is a regional center for service businesses, and very strong growth has been occurring in data processing, temporary help, accounting, legal, transportation, and health services. The importance of Seattle as a regional center for service businesses is indicated by a 7.4 percent growth in services employment in Washington in Fiscal Year 1988, compared to a 5.0 percent growth nationally during the same period.

ECONOMIC AND REVENUE OUTLOOK

The November 1988 Economic and Revenue Forecast calls for economic growth to continue for the remainder of the 1987-89 Biennium, which ends June 30, 1989. The General Fund State revenue forecast calls for $10.7 billion in revenues to be collected during the biennium. The initial forecast for the 1987-89 Biennium, prepared in November 1986, called for revenues of $10 billion. However, economic growth in Washington has been much stronger than was expected at that time, and upward revisions of the forecast have been made.

The November state forecast is based on the October 1988 U.S. forecast of Data Resources, Inc. (DRI). Because state forecasters believe the probability of a recession is somewhat higher than is estimated by DRI, DRI's forecast has been adjusted to make it somewhat more conservative. The adjusted forecast calls for growth of real gross national product (GNP) to slow from 4.5 percent in Fiscal Year 1988 to 3.1 percent in Fiscal Year 1989. This predicted slowdown of the national economy is caused by a tightening of monetary policy to prevent increases in inflation. As a result of a tighter monetary policy, the interest rate on 90 day treasury bills is expected to increase from 6.0 percent in Fiscal Year 1988 to 7.8 percent in Fiscal Year 1989.

At the state level, slower growth and higher interest rates nationally will contribute to a similar slowdown in growth in Washington. Total nonagricultural employment in Fiscal Year 1989 is predicted to increase 3.3 percent, which would be a good year, but still well below the 4.5 percent increase during Fiscal Year 1988. Signs of slower growth have already appeared in the initial months of Fiscal Year 1989. Hiring has slowed in aerospace, as the Boeing Company wants to avoid having more manpower than is required to meet their long-range demand. For the past several years, employment in the retail trade sector has increased much more rapidly than population or real personal income, and there are some indications that this trend may be ending. Several thousand jobs in the chemicals sector are expected to be lost in Fiscal Year 1989 due to the federal government's decision to shut down the production of nuclear materials at Hanford.

The assumption of a slowdown in growth in Fiscal Year 1989 reduces the downside risk to the state revenue forecast. Revenues for the 1987-89 Biennium could still fall significantly below the forecast if a recession begins during the remainder of the biennium, but this does not appear likely. Additionally, the impact of a recession on state revenues would probably be at least partially offset by higher than expected inflation. There is probably more upside than downside risk to the forecast, as economic growth and revenue collections have been consistently higher than expected throughout this biennium.

Planning is now underway for the 1989-91 Biennium, which runs from July 1, 1989 to June 30, 1991. The first official forecast for this biennium was adopted in November 1988, and calls for revenues of $11.8 billion. This projection assumes that a slowdown in economic growth in Fiscal Year 1989, the last year of the current biennium, carries forward into the next biennium. Consequently, the 1989-91 Biennium revenue projection assumes that revenues will grow at about the rate of inflation, with little or no increase as a result of real economic growth. This forecast would be too optimistic if a recession occurs during the 1989-91 Biennium. However, if a recession does not occur, the forecast will probably be too pessimistic.

MAJOR INITIATIVES

FOR THE YEAR

During the last year, the state has worked on a number of initiatives which will serve to enhance the quality of life and promote financial stability for the state.

EDUCATION - The state continued its effort to enhance the competitive standing of its higher education system by providing additional funding to its institutions of higher learning. This increased funding was directed toward salary increases for faculty, and increased funding for equipment and instructional support. The state also began a cutting edge program aimed at breaking through red tape and restrictions in the public school systems. The Schools for the Twenty-First Century program provides a basis to rethink the role of regulation in the elementary and secondary school system. This program also addresses the placement of responsibility for education where it really belongs -- in the school and in the classroom.

HUMAN SERVICES - This year the state began implementation of the Family Independence Program (FIP). This program offers individuals on public assistance a different benefit structure in exchange for participation in a job placement program or a job training program. The expectation of this program is that individuals will break the cycle of poverty common to those on public assistance programs. The state also began the Basic Health Program. This program will provide health coverage beginning in January of 1989 on a sliding fee scale to individuals who are not eligible for medical care under public assistance programs, are not covered through an employer's health plan, or cannot afford health insurance.

TRANSPORTATION - A comprehensive survey of the condition of the state and local road system was completed this year. The Road Jurisdiction Committee's (RJC) study analyzes every mile of existing road way to determine the need for road maintenance and preservation work. The study also identified an appropriate distribution formula for future transportation revenue based on assessed construction and maintenance needs.

MANAGEMENT OF STATE RESOURCES - The 1987 Legislature created the Efficiency Commission, located in the Office of Financial Management. This commission works with loaned executives from private sector corporations to review various operational practices of state government. This year the commission completed studies which led to recommendations for changes in management practices and proposed legislation in the following areas: the Department of Revenue (resulting in proposals which will increase tax collections over $75 million); the Department of Social and Health Services (Office of Support Enforcement); and the State Motor Pool.

TRI-CITIES DIVERSIFICATION - This year the state made a special effort to assist the Richland-Kennewick-Pasco area in dealing with actual and potential loss of jobs related to the federal Department of Energy cutbacks at Hanford. This effort to diversify the economy of this region will not only help this particular region, but also the state in general.

FOR THE FUTURE

The agenda for the next four years will focus on continuing to increase the state's investment in children through adequate social services and improvements in the state's education system. It is believed that continued emphasis on these issues will reduce future state financial responsibilities and will provide Washington's future workers and leaders with the ability to reach their fullest potential.

FINANCIAL INFORMATION

Management of the state is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the state are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

BUDGETING CONTROLS

Budgetary control is maintained through legislative appropriation and the executive branch allotment process. The Governor is required to submit a biennial budget to the state Legislature. The budget is legally required to be adopted through passage of appropriation bills by the Legislature and approval by the Governor. The appropriated funds are controlled by the executive branch through an allotment process. This process allocates the appropriation into monthly allotments by program, source of funds and object of expenditure. Nonappropriated governmental funds, primarily local college and university funds, are also subject to allotment control by the executive branch. The state also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the end of the biennium. However, capital encumbrances are generally reappropriated as part of the following biennial budget.

The state's budgetary policies and procedures, fund accounting structure, and basis of accounting are explained in detail in Note 1.D of the notes to the financial statements.

GENERAL GOVERNMENT FUNCTIONS

General governmental activities are accounted for in four governmental fund types: the general; special revenue; debt service; and capital projects funds. Revenue for general governmental functions totaled $8.6 billion for the fiscal year ending June 30, 1988. This represent an increase of 6.4 percent over revenue for the fiscal year ending June 30, 1987.

Taxes, the largest source of general governmental revenue, produced 65.5 percent of revenues. This percent has not changed from Fiscal Year 1987. Revenue from various sources for Fiscal Years 1988 and 1987 and the changes between years are as follows (expressed in millions):

Revenue Source	1988 Amount	1988 % of Total	1987 Amount	1987 % of Total	Increase (Decrease) from 1987
Taxes	$ 5,632	65.5	$ 5,291	65.5	$ 341
Licenses, Permits, and Fees	288	3.4	259	3.2	29
Federal Grants-in-Aid	1,947	22.6	1,831	22.7	116
Charges for Services	307	3.6	283	3.5	24
Miscellaneous Revenues	425	4.9	417	5.1	8
Total Revenues	8,599	100.0	8,081	100.0	518
Other Financing Sources	518		424		94
Total Revenue and Other Sources	$ 9,117		$ 8,505		$ 612

Expenditures for general government activities totaled $8.7 billion for fiscal year ending June 30, 1988, representing a 3.7 percent increase from 1987. General government expenditures by function for Fiscal Years 1988 and 1987 and the changes between years are displayed below (expressed in millions):

Functions	1988 Amount	1988 % of Total	1987 Amount	1987 % of Total	Increase (Decrease) from 1987
General Government	$ 949	10.9	$ 933	11.1	$ 16
Human Resources	2,606	30.0	2,531	30.2	75
Natural Resources	347	4.0	355	4.2	(8)
Transportation	854	9.8	861	10.3	(7)
Education	3,936	45.3	3,700	44.2	236
Total Expenditures	$ 8,692	100.0	$ 8,380	100.0	$ 312

Expenditures increased primarily in education and human resources. The increase in human resources expenditures resulted from increased case loads and medical expenses at the Department of Social and Health Services. Education expenditures increased primarily due to increased apportionments to local school districts and increased funding for higher education.

GENERAL FUND BALANCE

The fund balance of the general fund increased by 70.4 percent in 1988. This was due to the economic climate of the state being better than forecasted. The increase amounted to 3.2 percent of the general fund revenue for the year.

ENTERPRISE OPERATIONS

The state's enterprise operations are comprised of seven separate and distinct activities. A brief description of each enterprise operation is presented in Note 5 of the notes to the financial statements.

Combined operating revenues for the state's enterprise funds increased from $1,182 million in Fiscal Year 1987 to $1,301 million in Fiscal Year 1988. This increase is primarily due to increases in workers' compensation payments, lottery sales, and fees at the colleges and universities. Combined operating expenses increased from $1,135 million to $1,501 million during the same period. This increase is primarily due to an increase in workers' compensation benefits and lottery prize payments.

Outstanding enterprise fund bonds at June 30, 1988, totaled $322 million. These bonds were issued primarily to provide educational and convention facilities.

RETIREMENT SYSTEMS

Total net assets of the state's pension trust funds on a market basis reached $10.6 billion at June 30, 1988. The latest actuarial valuations of the pension plans indicate that the actuarial present value of accumulated benefits exceeded the actuarial value of net assets available for benefit by $3.9 billion. The funding ratio for all funds combined was 76 percent at June 30, 1988, which represents a 13 percent increase from June 30, 1987. The state's retirement systems have shown a dramatic improvement in funding ratios in recent years as demonstrated in the "Analysis of Funding Progress" presented in the Required Supplementary Information immediately following the notes to the financial statements.

DEBT ADMINISTRATION

In July 1986, the state received an upgrade to its bond rating. Standard and Poor's Corporation raised the state's rating from "AA-" to "AA" and Moody's Investors Service raised the rating from "A" to "A1." The maintenance of the rating demonstrates success in improving the financial operations of the state.

At June 30, 1988, outstanding general long-term bonded debt totaled $3.2 billion, representing an increase of 8.9 percent over June 30, 1987. These bonds were issued primarily to provide for capital projects.

The following table presents a summary of general obligation bonds issued during Fiscal Year 1988:

Date of Issue	Amounts (Millions)	Average Interest
October 1987		
Offering No.1	$153.1	8.84%
Offering No.2	30.0	8.90%
June 1988		
Offering No.1	137.0	7.66%
Offering No.2	50.5	7.68%

The ratio of general long-term bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the state's debt position. At June 30, 1988, these data were as follows:

	Amount (Millions)	Ratio of Debt to Assessed Value	Debt per Capita
General Long-Term Bonded Debt . . .	$ 3,166	1.80%	$ 694

CASH MANAGEMENT

Statutes provide that certain excess cash balances in the state treasury may be invested by the Office of State Treasurer (OST) through the use of the Cash Management Account. Specifically excluded from the OST Cash Management Account are pension funds, the Workers' Compensation Fund and certain dedicated permanent funds.

OST investment transactions during Fiscal Year 1988 were limited to U.S. Treasury and Agency securities, repurchase agreements, reverse repurchase agreements, certificates of deposit with qualified public depositories, and bankers' acceptances.

Total earnings from investment of the Cash Management Account balances for Fiscal Year 1988 exceeded $75 million, representing a 5.1 percent increase from Fiscal Year 1987. This increase resulted from a growth in the size of the investment portfolios. Investment earnings are distributed on a 80/20 percent basis; i.e., the general fund receives 20 percent and the participating funds receive 80 percent based on the fund's average daily balances.

RISK MANAGEMENT

The state has one risk management program based on the concept of self-insurance. This program makes current payments on claims arising from tortious conduct that resulted in a judgment and settlement against the state. During Fiscal Year 1988, the risk management program paid $13.9 million in such settlements.

The state also manages a Workers' Compensation Insurance Program that provides coverage for both private and public employers. Premiums are collected in a self-sustaining Workers' Compensation Fund and a current payment basis Supplemental Cost of Living Benefits account to cover current and future claims. Claim liabilities arising from this program are actuarially determined and recorded in the Workers' Compensation Fund and in the General Long-Term Obligations Account Group. Notes 1.I and 3.I of the notes to the financial statements disclose the specific Workers' Compensation programs and the state's current potential long-term liability of $3.16 billion for the Supplemental Cost of Living Benefits Program.

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by the Office of State Auditor (SAO). The State Auditor is an independently elected public official. The state is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments.

The SAO conducts the audit of all state agencies. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal single audit. The auditor's report on the general purpose financial statements is included in the financial section of this report. The auditor's report related to the single audit, including the schedule of federal financial assistance, findings and recommendations, and report on the internal control structure and compliance with applicable laws and regulations, will be published in a separate report. Copies may be obtained at the Office of State Auditor, Legislative Building, Mail Stop: AS-21, Olympia, Washington 98504.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) established the Certificate of Achievement for Excellence in Financial Reporting Program to encourage governments to publish outstanding financial reports. GFOA has awarded a Certificate of Achievement to the state of Washington for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1987. This is the first time the state has received this prestigious award. In order to be awarded such a certificate, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which must conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. This certificate is valid for a period of one year only.

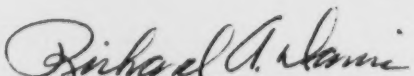
We believe our current report also conforms to the Certificate of Achievement for Excellence in Financial Reporting Program requirements and we are submitting it to the GFOA to determine eligibility for another certificate.

ACKNOWLEDGEMENT

I wish to express my sincere appreciations to the many individuals whose dedicated efforts have made this report possible. The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the financial and management personnel of each state agency and institution of higher education and the dedicated staff within the Office of Financial Management.

This Comprehensive Annual Financial Report reflects the commitment by the present administration to the Legislature, citizens of the state of Washington, and to the financial community to maintain our financial statements in conformance with the highest standards of financial accountability.

Sincerely,



Richard A. Davis
Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Washington

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

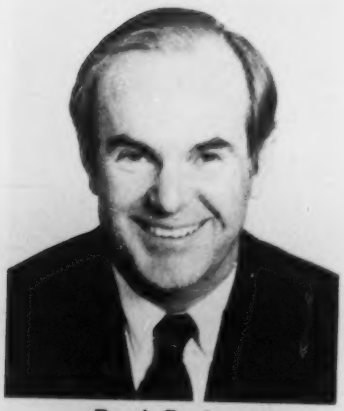
June 30, 1987

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

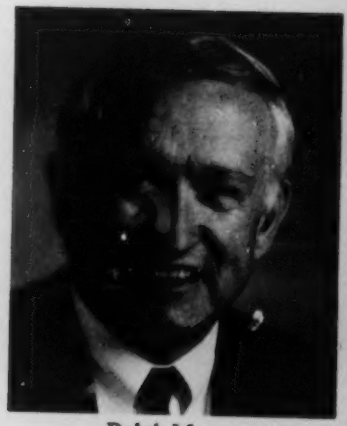
Executive Director

STATE OF WASHINGTON
Elected Executive Officials
June 30, 1988



Booth Gardner
Governor

John A. Cherberg
Lieutenant Governor



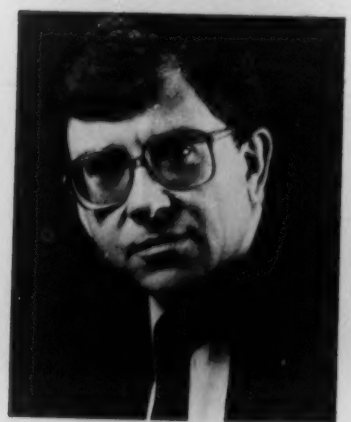
Ralph Munro
Secretary of State

Robert S. O'Brien
Treasurer

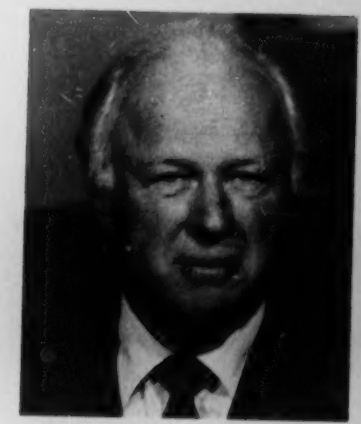
Robert V. Graham
Auditor

Ken Eikenberry
Attorney General

Dr. Frank B. Brouillet
Superintendent of
Public Instruction

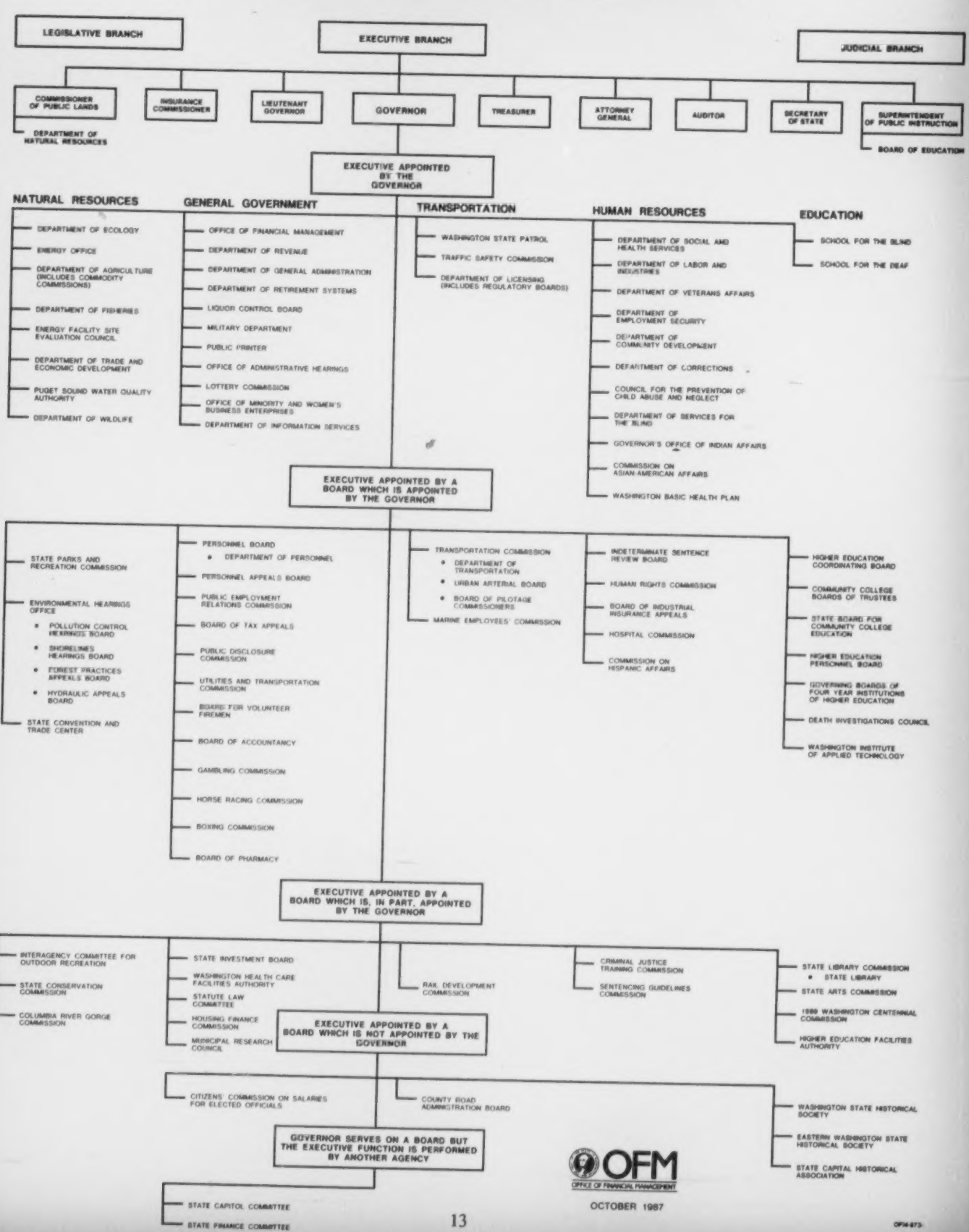


Brian Boyle
Commissioner of
Public Lands



Richard G. "Dick"Marquardt
Insurance Commissioner

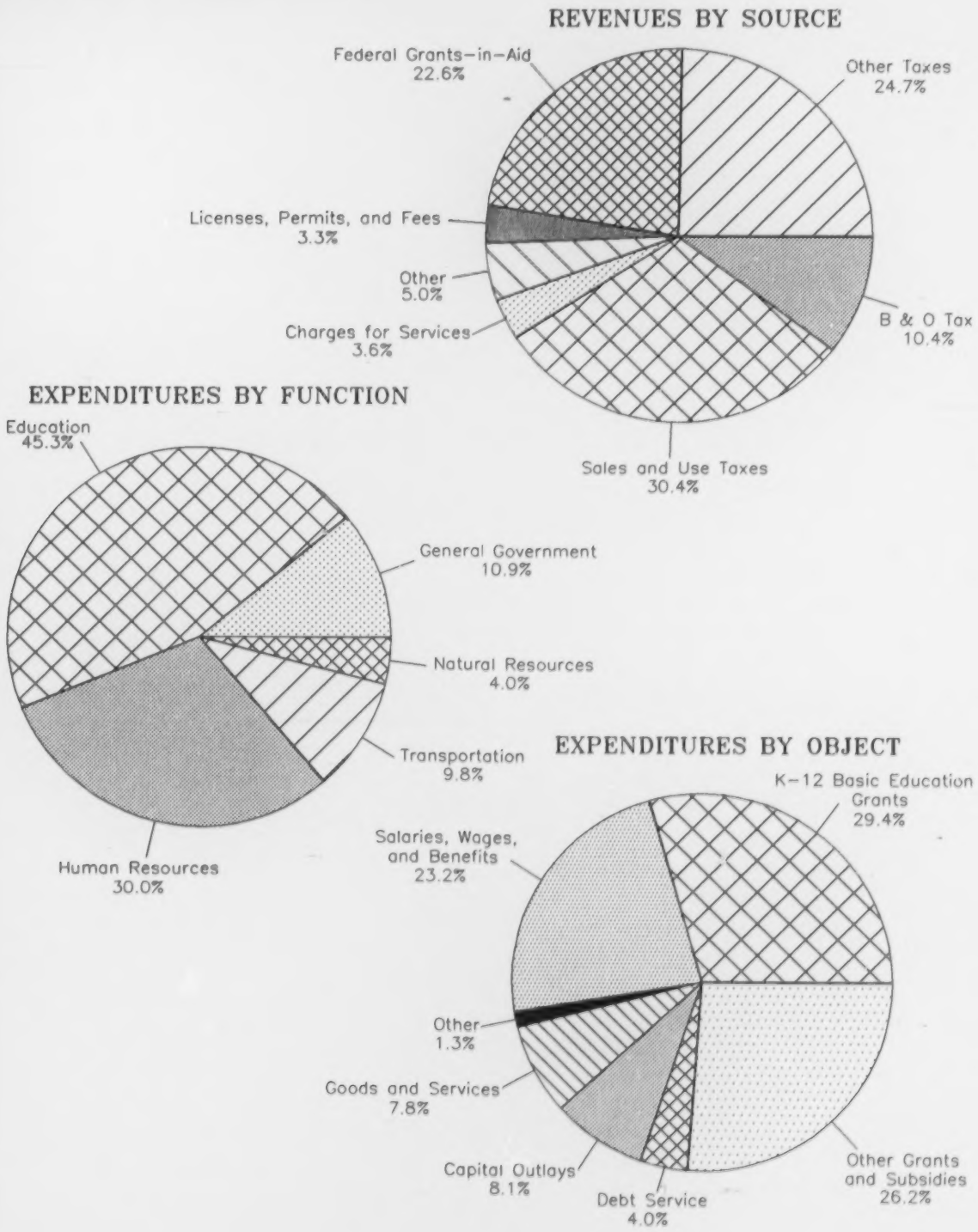
ORGANIZATION OF WASHINGTON STATE GOVERNMENT
BASED ON GUBERNATORIAL APPOINTMENT AUTHORITY



OCTOBER 1987

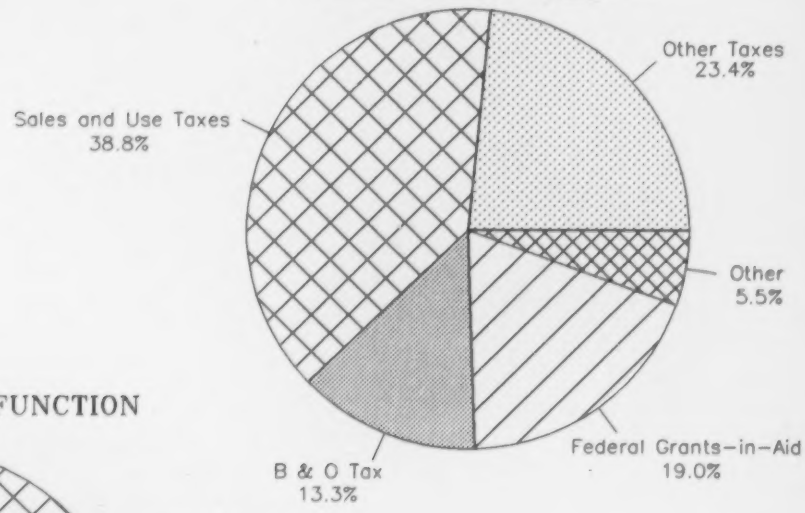
OFM 873

Graphic Presentation of Revenues and Expenditures
All Governmental Fund Types
For the Fiscal Year Ended June 30, 1988

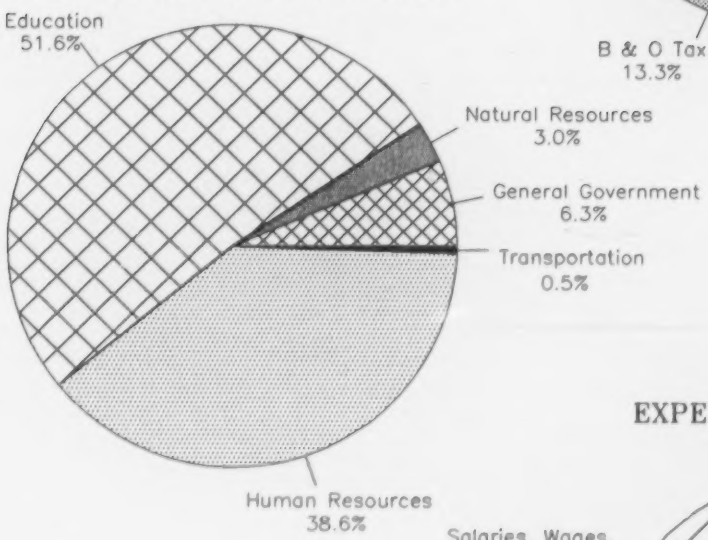


Graphic Presentation of Revenues and Expenditures
General Fund
For the Fiscal Year Ended June 30, 1988

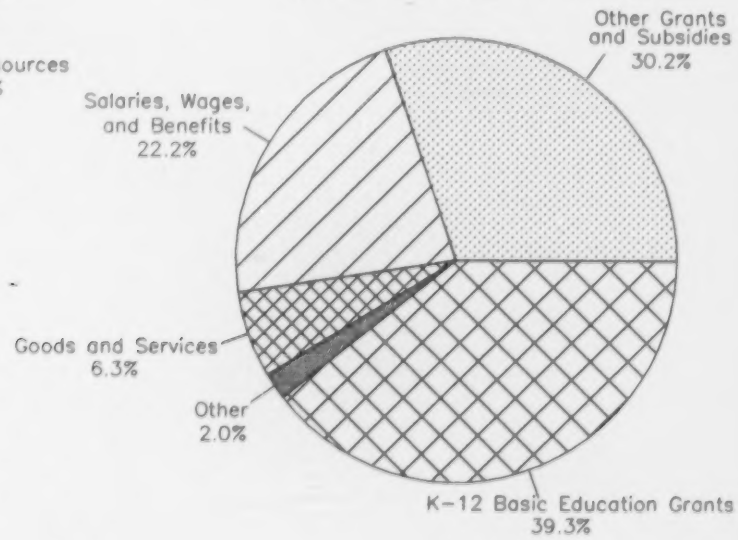
REVENUES BY SOURCE



EXPENDITURES BY FUNCTION



EXPENDITURES BY OBJECT



Leavenworth

Washington

Financial Section

Office of State Auditor

ROBERT V. GRAHAM
STATE AUDITOR

JACK HEINRICHER
ASSISTANT STATE AUDITOR

LEGISLATIVE BUILDING AS-21
OLYMPIA, WASHINGTON 98504-0421
(206) 753-5277

December 16, 1988

INDEPENDENT AUDITOR'S REPORT

The Honorable Booth Gardner
Governor, State of Washington

Dear Governor Gardner:

We have audited the accompanying general purpose financial statements of the state of Washington as of June 30, 1988 and for the year then ended. These financial statements are the responsibility of the state's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly the financial position of the state of Washington as of June 30, 1988, and the results of its operations and the changes in its financial position of its proprietary and similar trust funds for the year then ended, in conformity with generally accepted accounting principles.

As discussed in Note 4 to the financial statements, the state of Washington made a change in the reporting entity and made fund type and account group reclassifications of certain funds and accounts.

As discussed in Note 8 to the financial statements, the state of Washington is a defendant in certain legal proceedings. The ultimate outcome of the litigation cannot presently be determined. Accordingly, no provision for any liability that may result upon adjudication has been made in the accompanying financial statements.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents, and the budgetary reports (MFS1054 and MFS1064) referenced in note 1.D. are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the state of Washington. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

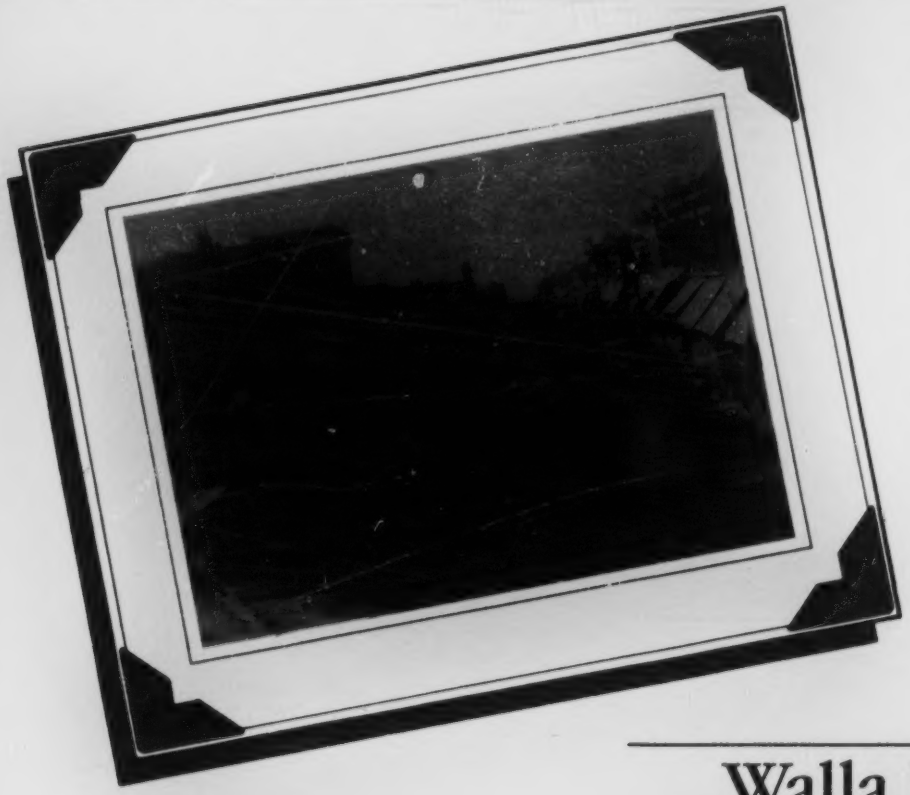
The statistical section of this report is not a required part of the general purpose financial statements, and we did not audit or apply limited procedures to such information and do not express any assurance on such information.

Very truly yours,

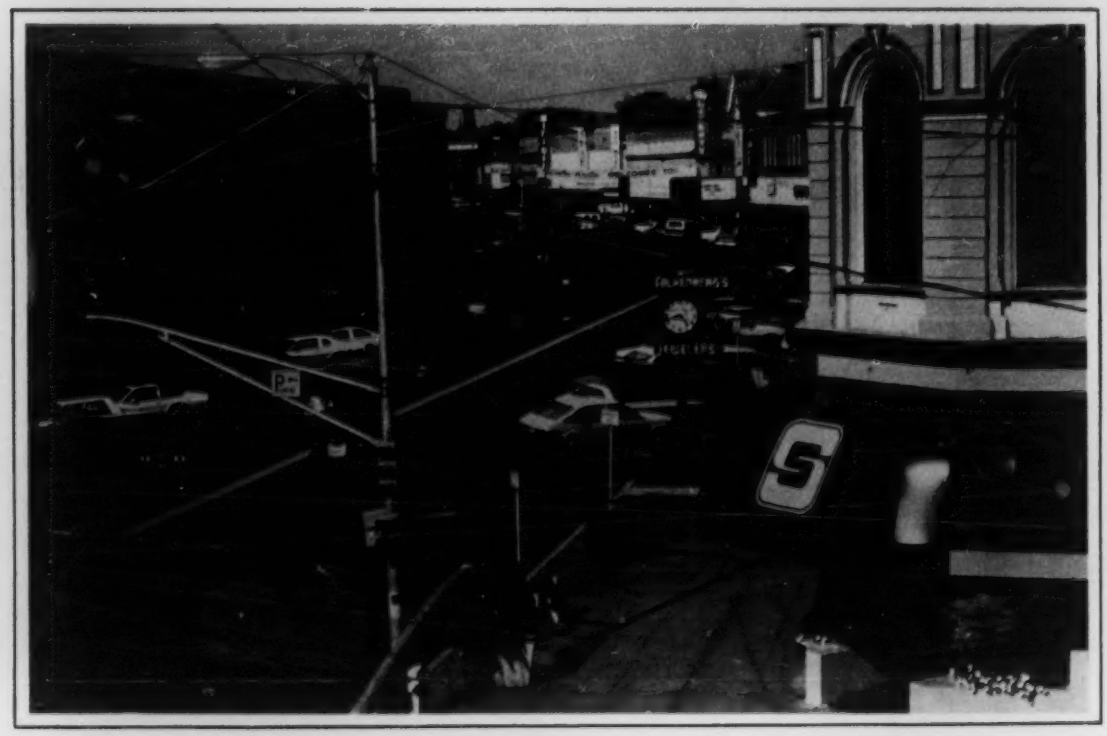
Robert V. Graham

ROBERT V. GRAHAM

STATE AUDITOR



Walla Walla



General Purpose Financial Statements

STATE OF WASHINGTON

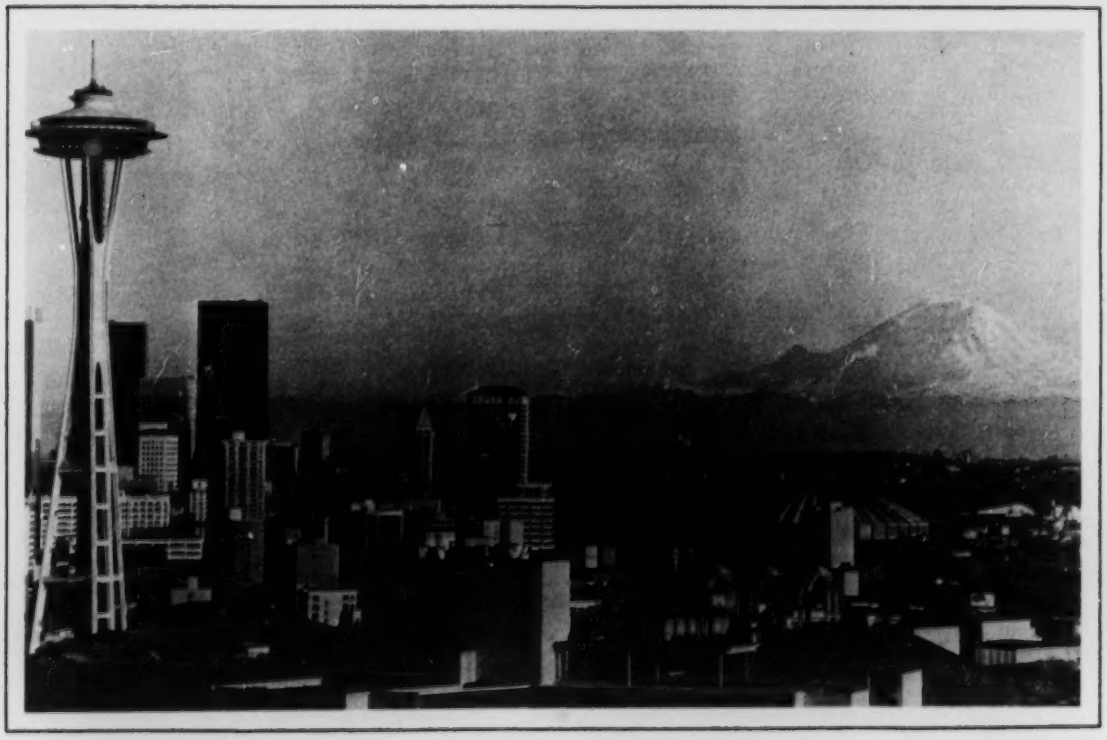
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1988
(expressed in thousands)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
ASSETS:				
Cash and pooled investments	$ 567,760	$ 534,669	$ 85,529	$ 32,192
Investments	983	7,930	.....	169
Taxes receivable (net of allowance)	655,762	7,949	.....	.....
Other receivables (net of allowance)	119,009	236,381	570	111,397
Due from other funds	142,165	150,950	7,363	7,935
Due from other governments	163,249	71,211	.....	340
Inventories	13,142	19,110	.....	.....
Prepaid expenses	.....	.....	.....	.....
Other nonfixed assets	.....	.....	.....	.....
Land	.....	.....	.....	.....
Buildings	.....	.....	.....	.....
Other improvements and miscellaneous	.....	.....	.....	.....
Furnishings and equipment	.....	.....	.....	.....
Accumulated depreciation	.....	.....	.....	.....
Construction in progress	.....	.....	.....	.....
Amount available in debt service funds	.....	.....	.....	.....
Amount to be provided for retirement of general long-term obligations	.....	.....	.....	.....
Total Assets	$ 1,662,070	$ 1,028,200	$ 93,462	$ 152,033
LIABILITIES AND FUND EQUITY:				
LIABILITIES:				
Accounts payable	$ 206,755	$ 27,077	$	$ 6,944
Contracts and retainages payable	12,049	53,129	1,372	6,710
Accrued liabilities	68,815	56,915	6	275
Matured bonds payable	.....	.....	.....	.....
Due to other funds	172,892	47,458	6,641	11,831
Due to other governments	13,436	13,177	.....	83
Deferred revenues	668,922	212,305	.....	862
Current workers' comp benefits payable	.....	.....	.....	.....
Long-term workers' comp benefits payable	.....	.....	.....	.....
Bonds payable	.....	.....	.....	.....
Other long-term obligations	.....	.....	.....	.....
Total Liabilities	1,142,869	410,061	8,019	26,705
FUND EQUITY:				
Unrealized gain on investments	.....	.....	.....	.....
Contributed capital	.....	.....	.....	.....
Investment in general fixed assets	.....	.....	.....	.....
Retained earnings:				
Reserved	.....	.....	.....	.....
Unreserved	.....	.....	.....	.....
Fund balances:				
Reserved for:				
Encumbrances	155,721	240,086	.....	83,391
Inventories	13,142	19,110	.....	.....
Restricted accounts	121,645	.....	.....	.....
Nonexpendable trust corpus	.....	.....	.....	.....
Unemployment compensation	.....	.....	.....	.....
Retirement systems	.....	.....	.....	.....
Other specific purposes	120,251	9,622	.....	195
Unreserved:				
Designated for debt service	.....	.....	85,443	.....
Designated for other specific purposes	.....	59,521	.....	41,742
Undesignated	108,442	289,800	.....	.....
Total Fund Equity	519,201	618,139	85,443	125,328
Total Liabilities and Fund Equity	$ 1,662,070	$ 1,028,200	$ 93,462	$ 152,033

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	JUNE 30, 1988	JUNE 30, 1987
$ 141,783	$ 55,390	$ 1,592,173	$	$	$ 3,009,496	$ 2,262,228
3,171,576	2,000	11,250,361	.....	.....	14,433,019	13,503,086
2,089	.....	.....	.....	.....	665,800	610,761
289,295	1,439	267,545	.....	.....	1,025,636	580,665
39,004	29,827	85,028	.....	.....	462,272	408,860
12,916	7,847	49,705	.....	.....	305,268	346,057
60,813	19,495	238	.....	.....	112,798	105,526
1,901	210	.....	.....	.....	2,111	1,768
2,441	1,084	57,566	.....	.....	61,091	13,056
14,904	1,183	.....	269,541	.....	285,628	294,655
469,780	14,872	.....	1,743,821	.....	2,228,473	2,137,308
137,882	4,702	.....	387,034	.....	529,618	501,587
362,522	263,399	.....	682,472	.....	1,308,393	1,171,288
(263,021)	(147,684)	.....	(1,035,424)	.....	(1,446,129)	(1,316,871)
185,510	.....	.....	132,496	.....	318,006	236,616
.....	.....	.....	.....	85,443	85,443	68,264
.....	.....	.....	.....	7,045,071	7,045,071	5,302,977
$ 4,629,395	$ 253,764	$ 13,302,616	$ 2,179,940	$ 7,130,514	$ 30,431,994	$ 26,227,831
$ 34,541	$ 14,797	$ 9,094	$	$	$ 299,208	$ 298,944
29,854	5,160	13,601	.....	.....	121,875	119,571
56,073	12,064	95,209	.....	.....	289,357	215,656
8,122	.....	.....	.....	.....	8,122	7,630
113,309	13,704	96,437	.....	.....	462,272	408,860
4,202	48	573,179	.....	.....	604,125	444,057
15,374	3,234	36,254	.....	.....	936,951	696,818
435,424	.....	105,619	.....	.....	541,043	497,605
2,721,101	.....	.....	.....	3,164,381	5,885,482	4,704,566
313,864	.....	.....	.....	3,166,025	3,479,889	3,200,123
98,235	8,139	136,680	.....	800,108	1,043,162	300,206
3,830,099	57,146	1,066,073	.....	7,130,514	13,671,486	10,894,036
945	.....	1,374,737	.....	.....	1,375,682	2,155,217
421,865	35,173	.....	.....	.....	457,038	406,901
.....	.....	.....	2,179,940	.....	2,179,940	2,074,784
5,492	.....	.....	.....	.....	5,492	8,698
370,994	161,445	.....	.....	.....	532,439	570,579
.....	.....	768	.....	.....	479,966	30,298
.....	.....	238	.....	.....	32,490	28,248
.....	.....	.....	.....	.....	121,645	26,025
.....	.....	498,460	.....	.....	498,460	467,076
.....	.....	839,833	.....	.....	839,833	493,616
.....	.....	9,368,453	.....	.....	9,368,453	8,128,800
.....	.....	86,414	.....	.....	216,482	183,008
.....	.....	.....	.....	.....	85,443	68,264
.....	.....	3,459	.....	.....	104,722	98,771
.....	.....	64,181	.....	.....	462,423	593,510
799,296	196,618	12,236,543	2,179,940	.....	16,760,508	15,333,795
$ 4,629,395	$ 253,764	$ 13,302,616	$ 2,179,940	$ 7,130,514	$ 30,431,994	$ 26,227,831

Seattle



STATE OF WASHINGTON

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
All Governmental Fund Types and Expendable Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	YEAR ENDED JUNE 30, 1988	YEAR ENDED JUNE 30, 1987
REVENUES:							
Taxes	$5,098,383	$ 533,290	$.....	$.....	$.....	$ 5,631,673	$ 5,291,399
Licenses, permits, and fees	54,433	233,554	.....	.....	.....	287,987	259,493
Federal grants-in-aid	1,285,122	661,612	164	.....	81,192	2,028,090	1,905,653
Charges for services	179,353	113,320	.....	14,699	8,705	316,077	289,569
Unemployment comp. contributions	.....	.....	.....	.....	669,662	669,662	613,665
Workers' compensation contributions	.....	.....	.....	.....	113,286	113,286	150,015
Miscellaneous revenue	135,310	271,759	10,121	7,523	105,629	530,342	475,409
Total Revenues	6,752,601	1,813,535	10,285	22,222	978,474	9,577,117	8,985,203
EXPENDITURES:							
Current:							
General government	394,227	194,682	.....	836	39,397	629,142	653,021
Human resources	2,478,711	80,662	.....	7,040	490,049	3,056,462	3,056,009
Natural resources and recreation	185,510	120,132	.....	21,227	119	326,988	329,032
Transportation	30,460	437,227	.....	407	.....	468,094	477,482
Education	3,290,085	390,151	.....	10,521	73,054	3,763,811	3,549,583
Capital outlays	58,680	502,945	.....	143,887	839	706,351	688,843
Debt service:							
Principal	10,666	3,102	112,129	307	58	126,262	111,517
Interest	1,453	920	215,537	95	35	218,040	199,843
Total Expenditures	6,449,792	1,729,821	327,666	184,320	603,551	9,295,150	9,065,330
Excess of Revenues Over (Under) Expenditures	302,809	83,714	(317,381)	(162,098)	374,923	281,967	(80,127)
OTHER FINANCING SOURCES (USES):							
Bond sale proceeds	.....	146,500	.....	224,050	.....	370,550	281,260
Proceeds of refunding bonds	.....	.....	.....	.....	.....	.....	170,631
Payment to refunded bond escrow agent	.....	.....	.....	.....	.....	.....	(170,340)
Operating transfers in	350,650	113,480	370,401	31,613	24,203	890,347	667,164
Operating transfers out	(445,177)	(218,349)	(35,811)	(25,765)	(26,008)	(751,110)	(531,147)
Capital lease acquisitions	6,557	323	.....	.....	.....	6,880	6,330
Total Other Financing Sources (Uses)	(87,970)	41,954	334,590	229,898	(1,805)	516,667	423,898
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	214,839	125,668	17,209	67,800	373,118	798,634	343,771
FUND BALANCES:							
Fund balances as restated, July 1	304,406	492,284	68,234	57,529	609,763	1,532,216	1,178,031
Fund equity transfers (net)	(44)	187	.....	(1)	12,016	12,158	50
Fund Balances, June 30	$ 519,201	$ 618,139	$ 85,443	$ 125,328	$ 994,897	$ 2,343,008	$ 1,521,852

The notes to the financial statements are an integral part of this statement.

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combined Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
All Governmental Fund Types
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
REVENUES:						
Taxes	$10,484,460	$ 5,098,383	$(5,386,077)	$ 1,207,036	$ 533,290	$ (673,746)
Licenses, permits, and fees	121,439	54,433	(67,006)	555,234	233,554	(321,680)
Federal grants-in-aid	2,684,791	1,285,122	(1,399,669)	1,398,583	661,612	(736,971)
Charges for services	372,942	179,353	(193,589)	223,270	113,320	(109,950)
Miscellaneous revenue	282,503	135,310	(147,193)	488,778	271,759	(217,019)
Total Revenues	13,946,135	6,752,601	(7,193,534)	3,872,901	1,813,535	(2,059,366)
EXPENDITURES:						
Current:						
General government	820,861	401,221	419,640	386,959	195,942	191,017
Human resources	5,211,561	2,489,395	2,722,166	162,113	71,512	90,601
Natural resources and recreation	438,975	191,181	247,794	180,023	63,129	116,894
Transportation	75,646	33,989	41,657	675,193	291,892	383,301
Education	6,912,904	3,328,844	3,584,060	876,715	417,816	458,899
Capital outlays	102,629	5,162	97,467	1,934,825	689,530	1,245,295
Debt service	.....	.....	.....	.....	.....	.....
Total Expenditures	13,562,576	6,449,792	7,112,784	4,215,828	1,729,821	2,486,007
Excess of Revenues Over (Under) Expenditures	383,559	302,809	(80,750)	(342,927)	83,714	426,641
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	.....	.....	.....	621,130	146,500	(474,630)
Proceeds of refunding bonds	.....	.....	.....	.....	.....	.....
Payment to refunded bond escrow agent	.....	.....	.....	.....	.....	.....
Operating transfers in	504,370	350,650	(153,720)	127,730	113,480	(14,250)
Operating transfers out	(749,504)	(445,177)	304,327	(319,091)	(218,349)	100,742
Capital lease acquisitions	6,557	6,557	.....	323	323	.....
Total Other Financing Sources (Uses)	(238,577)	(87,970)	150,607	430,092	41,954	(388,138)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ 144,982	$ 214,839	$ 69,857	$ 87,165	$ 125,668	$ 38,503

The notes to the financial statements are an integral part of this statement.

DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS			TOTALS (MEMORANDUM ONLY)		
APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
$.....	$.....	$.....	$.....	$.....	$.....	$11,691,496	$ 5,631,673	$(6,059,823)
.....	.....	.....	.....	.....	.....	676,673	287,987	(388,686)
.....	164	164	.....	.....	.....	4,083,374	1,946,898	(2,136,476)
.....	.....	.....	29,313	14,699	(14,614)	625,525	307,372	(318,153)
48,939	10,121	(38,818)	14,295	7,523	(6,772)	834,515	424,713	(409,802)
48,939	10,285	(38,654)	43,608	22,222	(21,386)	17,911,583	8,598,643	(9,312,940)
.....	.....	.....	799	246	553	1,208,619	597,409	611,210
.....	.....	.....	.....	.....	.....	5,373,674	2,560,907	2,812,767
.....	.....	.....	.....	.....	.....	618,998	254,310	364,688
.....	.....	.....	.....	.....	.....	750,839	325,881	-424,958
.....	.....	.....	.....	.....	.....	7,789,619	3,746,660	4,042,959
.....	.....	.....	594,720	184,074	410,646	2,632,174	878,766	1,753,408
690,458	327,666	362,792	.....	.....	.....	690,458	327,666	362,792
690,458	327,666	362,792	595,519	184,320	411,199	19,064,381	8,691,599	10,372,782
(641,519)	(317,381)	324,138	(551,911)	(162,098)	389,813	(1,152,798)	(92,956)	1,059,842
.....	.....	.....	532,700	224,050	(308,650)	1,153,830	370,550	(783,280)
.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....
700,814	370,401	(330,413)	52,267	31,613	(20,654)	1,385,181	866,144	(519,037)
(31,712)	(35,811)	(4,099)	(49,313)	(25,765)	23,548	(1,149,620)	(725,102)	424,518
.....	.....	.....	.....	.....	.....	6,880	6,880	.....
669,102	334,590	(334,512)	535,654	229,898	(305,756)	1,396,271	518,472	(877,799)
$ 27,583	$ 17,209	$ (10,374)	$ (16,257)	$ 67,800	$ 84,057	$ 243,473	$ 425,516	$ 182,043

STATE OF WASHINGTON

Combined Statement of Revenues, Expenses, and Changes in Fund Equity
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	YEAR ENDED JUNE 30, 1988	YEAR ENDED JUNE 30, 1987
OPERATING REVENUES:						
Sales	$ 277,167	$ 80,596	$	$	$ 357,763	$ 379,655
Less: Cost of goods sold	195,552	68,909			264,461	272,758
Gross profit	81,615	11,687			93,302	106,897
Charges for services	291,401	255,863	41		547,305	483,424
Earnings on investments			43,630	950,406	994,036	692,326
Pension contributions				687,464	687,464	835,252
Workers' compensation contributions	606,234				606,234	507,320
Lottery ticket proceeds	214,048				214,048	193,937
Miscellaneous revenue	107,981	14,237	36,617	2,142	160,977	165,832
Total Operating Revenues	1,301,279	281,787	80,288	1,640,012	3,303,366	2,984,988
OPERATING EXPENSES:						
Salaries and wages	231,276	89,516		59	320,851	291,074
Personal services	20,395	5,394		1,443	27,232	17,308
Goods and services	181,450	110,209		84	291,743	267,290
Travel	8,133	1,951		2	10,086	9,141
Employee benefits	46,086	18,795		16	64,897	65,570
Workers' compensation benefits	867,958				867,958	529,637
Lottery prize payments	102,597				102,597	88,016
Depreciation and amortization	30,991	34,448			65,439	58,436
Pension benefit payments				581,061	581,061	547,259
Miscellaneous expenses	12,009	2,885		2,691	17,585	32,587
Total Operating Expenses	1,500,895	263,198		585,356	2,349,449	1,906,318
Operating Income (Loss)	(199,616)	18,589	80,288	1,054,656	953,917	1,078,670
NONOPERATING REVENUES (EXPENSES):						
Other revenue (expenses)	(128)	1,109	174	28	1,183	(2,345)
Interest income	285,215	2,498			287,713	307,623
Interest expense	(12,981)	(1,208)			(14,189)	(14,889)
Liquor profits distributed to local governments	(21,870)				(21,870)	(22,400)
Total Nonoperating Revenues (Expenses)	250,236	2,399	174	28	252,837	267,989
Income Before Operating Transfers	50,620	20,988	80,462	1,054,684	1,206,754	1,346,659
OPERATING TRANSFERS:						
Operating transfers in	321,801	10,326	3,572		335,699	496,891
Operating transfers out	(423,985)	(11,079)	(39,212)	(660)	(474,936)	(632,908)
Net operating transfers in (out)	(102,184)	(753)	(35,640)	(660)	(139,237)	(136,017)
NET INCOME (LOSS)	(51,564)	20,235	44,822	1,054,024	1,067,517	1,210,642
FUND EQUITY:						
Fund equity as restated, July 1	866,187	162,541	465,616	10,224,219	11,718,563	9,830,840
Fund equity transfers (net)	(455)	279	(11,982)		(12,158)	(50)
Unrealized gain (loss) on investments	(51,446)			(535,053)	(586,499)	637,392
Contributions of capital	36,574	13,563			50,137	58,335
Fund Equity, June 30	$ 799,296	$ 196,618	$ 498,456	$10,743,190	$ 12,237,560	$ 11,737,159

The notes to the financial statements are an integral part of this statement.

STATE OF WASHINGTON

Combined Statement of Changes in Financial Position
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	YEAR ENDED JUNE 30, 1988	YEAR ENDED JUNE 30, 1987
SOURCES OF WORKING CAPITAL:						
OPERATIONS:						
Net income (loss)	$ (51,564)	$ 20,235	$ 44,822	$ 1,054,024	$ 1,067,517	$ 1,210,642
Items not requiring working capital in the current period:						
Depreciation and amortization	30,991	34,448	.....	.....	65,439	58,436
Amortization of premiums/discounts on investments	18,365	.....	(1,447)	6,550	23,468	(607)
Working Capital Provided by Operations Before Changes	(2,208)	54,683	43,375	1,060,574	1,156,424	1,268,471
Prior period adjustments	.....	.....	(1,349)	.....	(1,349)	2,636
Fund reclassifications	(17,248)	.....	.....	.....	(17,248)	(7,960)
Working Capital Provided by Operations and Changes	(19,456)	54,683	42,026	1,060,574	1,137,827	1,263,147
OTHER SOURCES:						
Sales of noncurrent investments	3,375,900	837	221,128	6,050,402	9,648,267	8,926
Disposal of fixed assets	45,789	10,969	.....	.....	56,758	68,972
Disposal of other nonfixed assets	5,556	15	682	.....	6,253	6,190
Increase in long-term workers' comp	362,630	.....	.....	.....	362,630	318,655
Proceeds from sale of bonds payable	30,565	.....	.....	.....	30,565	10,376
Proceeds from other long-term oblig	50,341	8,478	19	.....	58,838	49,038
Unrealized gain on investments	.....	.....	.....	.....	.....	762,614
Contributions of capital	36,574	13,563	.....	.....	50,137	58,335
Fund equity transfers in	3,033	5,386	814	.....	9,233	.....
Total Sources of Working Capital	3,890,932	93,931	264,669	7,110,976	11,360,508	2,546,253
USES OF WORKING CAPITAL:						
Purchases of noncurrent investments	3,700,871	87	242,871	6,619,218	10,563,047	1,945,503
Acquisitions of fixed assets	157,517	58,928	.....	.....	216,445	282,050
Acquisitions of other nonfixed assets	570	1,085	19,802	.....	21,457	639
Retirement of long-term bonds payable	8,122	.....	.....	.....	8,122	8,828
Repayment of other long-term oblig	16,516	15,214	794	.....	32,524	171,442
Unrealized loss on investments	51,446	.....	.....	535,053	586,499	125,222
Fund equity transfers out	3,488	5,107	12,796	.....	21,391	50
Total Uses of Working Capital	3,938,530	80,421	276,263	7,154,271	11,449,485	2,533,734
Net Increase (Decrease) in Working Capital	$ (47,598)	$ 13,510	$ (11,594)	$ (43,295)	$ (88,977)	$ 12,519
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash and pooled investments	$ 18,082	$ 10,435	$ 11,659	$ (10,554)	$ 29,622	$ (29,807)
Receivables (net of allowance)	12,471	62	1,273	23,840	37,646	(92,471)
Due from other funds	8,358	6,330	812	(232)	15,268	(6,929)
Due from other governments	11,090	4,915	.....	(55,205)	(39,200)	83,334
Inventories	386	2,644	.....	.....	3,030	(774)
Prepaid expenses	290	53	.....	.....	343	(80)
Accounts payable	(8,383)	(1,963)	.....	(1,642)	(11,988)	802
Contracts and retainages payable	4,885	4,163	(140)	.....	8,908	(4,684)
Accrued liabilities	(9,977)	(1,857)	(1,982)	(17)	(13,833)	31,556
Matured bonds payable	(492)	.....	.....	.....	(492)	(1,146)
Due to other funds	(45,841)	(11,052)	(4,115)	478	(60,530)	6,878
Due to other governments	(4,195)	(29)	.....	.....	(4,224)	5
Deferred revenue	1,695	(191)	(19,101)	37	(17,560)	4,043
Current workers' compensation benefits payable	(35,967)	.....	.....	.....	(35,967)	21,792
Net Increase (Decrease) in Working Capital	$ (47,598)	$ 13,510	$ (11,594)	$ (43,295)	$ (88,977)	$ 12,519

The notes to the financial statements are an integral part of this statement.

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combined Schedule of Revenues and Expenses Budget and Actual All Proprietary Fund Types For the Fiscal Year Ended June 30, 1988 (expressed in thousands)

	ENTERPRISE FUNDS			INTERNAL SERVICE FUNDS		
	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
OPERATING REVENUES:						
Sales	$ 542,280	$ 277,167	$ (265,113)	$ 152,223	$ 80,596	$ (71,627)
Charges for services	596,735	291,401	(305,334)	529,239	255,863	(273,376)
Workers' compensation contributions	1,222,650	606,234	(616,416)	.....	.....	.....
Lottery ticket proceeds	430,500	214,048	(216,452)	.....	.....	.....
Miscellaneous revenues	196,109	107,981	(88,128)	19,890	14,237	(5,653)
Total Operating Revenues	2,988,274	1,496,831	(1,491,443)	701,352	350,696	(350,656)
EXPENSES:						
Allotted expenses	1,048,739	513,912	(534,827)	373,109	189,686	(183,423)
Nonallotted expenses (adjustments)	2,358,724	1,217,386	(1,141,338)	301,726	143,629	(158,097)
Total Expenses	3,407,463	1,731,298	(1,676,165)	674,835	333,315	(341,520)
Net Operating Revenues Over (Under) Expenses	(419,189)	(234,467)	184,722	26,517	17,381	(9,136)
NONOPERATING REVENUES:						
Other revenue (loss)	173	(128)	(301)	3,330	1,109	(2,221)
Interest income	619,055	285,215	(333,840)	3,143	2,498	(645)
Total Nonoperating Revenues	619,228	285,087	(334,141)	6,473	3,607	(2,866)
Income (Loss) Before Operating Transfers	200,039	50,620	(149,419)	32,990	20,988	(12,002)
OPERATING TRANSFERS:						
Operating transfers in		321,801			10,326	
Operating transfers out		(423,985)			(11,079)	
Net Operating Transfers In (Out)	(227,761)	(102,184)	125,577	(2,992)	(753)	2,239
NET INCOME (LOSS)	$ (27,722)	$ (51,564)	$ (23,842)	$ 29,998	$ 20,235	$ (9,763)

The notes to the financial statements are an integral part of this statement.

TOTALS (MEMORANDUM ONLY)		
ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
$ 694,503	$ 357,763	$ (336,740)
1,125,974	547,264	(578,710)
1,222,650	606,234	(616,416)
430,500	214,048	(216,452)
215,999	122,218	(93,781)
3,689,626	1,847,527	(1,842,099)
1,421,848	703,598	(718,250)
2,660,450	1,361,015	(1,299,435)
4,082,298	2,064,613	(2,017,685)
(392,672)	(217,086)	175,586
3,503	981	(2,522)
622,198	287,713	(334,485)
625,701	288,694	(337,007)
233,029	71,608	(161,421)
	332,127	
	(435,064)	
(230,753)	(102,937)	127,816
$ 2,276	$ (31,329)	$ (33,605)

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NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 1988

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the state of Washington have been prepared in conformity with generally accepted accounting principles (GAAP). The primary authority for the state's accounting and reporting requirements is the Office of Financial Management (OFM). OFM has adopted the pronouncements of the Governmental Accounting Standards Board (GASB) which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles nationally. The more significant of the state's accounting policies are as follows:

A. Reporting Entity

In evaluating how to define the state of Washington, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the state's reporting entity.

Included within the reporting entity:

STATE AGENCIES - Except as otherwise described herein, all state elected offices, departments, agencies, commissions, boards, committees, authorities, and councils (agencies) and all funds and account groups of the state are included in the state's reporting entity. Executives of these agencies are either elected, directly appointed by the governor, appointed by a board which is appointed by the governor, or appointed by a board which is in part appointed by the governor. The state legislature created these agencies, assigns their programs, approves operational funding, and requires financial accountability. The legislature also authorizes all bond issuances for capital construction projects for the benefit of state agencies. The legal liability for these bonds and the ownership of agency assets resides with the state.

COMMUNITY COLLEGES, COLLEGE, AND UNIVERSITIES - The governing boards of the 24 state community colleges and districts, the state college, and the five state universities (colleges), are appointed by the governor. Each college's governing board appoints a president to function as the chief administrator. The state legislature approves all budgets and budget amendments for the colleges and requires financial accountability. Colleges are authorized by statute to issue bonds for capital construction. The legal liability for the bonds and the ownership of college assets resides with the state. Financial operations of the state's colleges have been included in the accompanying financial statements and reported using the fund structure prescribed by GASB; not according to the fund structure of the National Association of College and University Business Officers.

RETIREMENT SYSTEMS - The state of Washington administers the following six retirement systems for public employees of the state and political subdivisions: the Public Employees' Retirement System, the Teachers' Retirement System, the Law Enforcement Officers' and Fire Fighters' Retirement System, the Washington State Patrol Retirement System, the Judicial Retirement System, and the Volunteer Firemen Retirement System. The state legislature establishes laws pertaining to the creation and administration of all public retirement systems, and the governor appoints the director of the Department of Retirement Systems to manage the systems. The state and public retirement systems' participants provide funding for all costs of the systems based upon actuarial valuations. The state establishes benefit levels and approves the actuarial assumptions used in determining contribution levels.

Excluded from the reporting entity:

Washington's AGRICULTURAL COMMODITY COMMISSIONS are organized under state laws and by agricultural industry leaders to enable farm product producers to assess themselves and accumulate funds primarily for commodity advertising and research. Commission members are elected by the producers, handlers, and/or dealers they represent, except for the Beef Commission members who are appointed by the governor. These potential component units are excluded from the reporting entity because the state does not have the ability to exercise influence over their daily operations, approve budgets, or provide funding. Financial reports of the Agricultural Commodity Commissions may be obtained from each commission.

The WASHINGTON HEALTH CARE FACILITIES AUTHORITY, the WASHINGTON HIGHER EDUCATION FACILITIES AUTHORITY, and the WASHINGTON STATE HOUSING FINANCE COMMISSION are included in the state's reporting entity, however they are authorized to issue nonrecourse revenue bonds which are excluded from the reporting entity. Bond proceeds are loaned to qualified nonprofit health care and higher education facilities for construction and related improvements, and to qualified home buyers for new, existing, or improved residential dwellings. These bonds do not constitute either a legal or moral obligation of the state, nor does the state pledge its faith and credit for the payment of such bonds. Debt service on the bonds is payable solely from payments pursuant to loan agreements.

The WASHINGTON PUBLIC POWER SUPPLY SYSTEM (WPPSS) was established in 1957 by a group of seventeen public electrical utilities (member utilities) throughout the state. The Executive Board, WPPSS's governing authority, consists of 11 members, eight of which are selected by the member utilities and three of which are appointed by the governor. The Executive Board has total responsibility for WPPSS's operations and approves all budgets. The member utilities have undivided ownership of all common facilities and assets of WPPSS. All debt, bonded or otherwise, is the responsibility of WPPSS and the member utilities, and is neither a legal nor a moral obligation of the state.

B. Fund Accounting Structure

The state uses approximately 461 accounts which have been administratively combined into 47 funds and 2 account groups. The state uses these funds and account groups to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets (General Fixed Assets Account Group) and liabilities (General Long-Term Obligations Account Group) that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental; proprietary; and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for activities of the general government not accounted for in some other fund.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds are generally used to account for assets that the government holds on behalf of others as their agent.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary, nonexpendable trust, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental funds, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are determined to be susceptible to accrual include taxes, federal grants-in-aid, and charges for services.

Revenues from property taxes are determined to be available if collectible within 60 days. All other accrued revenue sources are determined to be available if collectible within 12 months. Sales taxes, business and occupation taxes, excise taxes, motor fuel taxes, unemployment compensation contributions, and other self-assessed revenues are considered measurable when the return is received. Revenues from licenses, permits, and fees are recognized when received in cash.

Property taxes are levied in December for the following calendar year. The first half year collections are due April 30 and the second half year collection are due October 31. Since the state is on a fiscal year ending June 30, the first half year collections are recognized as revenue, if collectible within 60 days of the fiscal year end. The second half year collections are recognized as receivables offset by deferred revenue. The lien date on property taxes is January 1 of the tax levy year.

Under modified accrual accounting, expenditures are recognized when the related fund liability is incurred. Exceptions to the general modified accrual expenditure recognition criteria include principal and interest on general long-term indebtedness which are recognized when due and compensated absences which are recognized when paid.

All proprietary funds, nonexpendable trust funds, and pension trust funds are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses are recognized when the related liability is incurred.

The state reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet either the "measurable" or the "available" criteria for revenue recognition in the current period. Deferred revenues also arise when resources are received by the state before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the state has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

D. General Budgetary Policies and Procedures

The Governor is required to submit a budget to the State Legislature no later than December 20 of the year preceding odd-year sessions of the Legislature. The budget is a proposal for expenditures in the ensuing biennial period based upon anticipated revenues from the sources and rates existing by law at the time of submission of the budget. The Governor may additionally submit, as an appendix to the budget, a proposal for expenditures in the ensuing biennium from revenue sources derived from proposed changes in existing statutes.

The appropriated budget is legally required to be adopted through the passage of appropriation bills by the Legislature and approval by the Governor. Operating appropriations are made at the fund/account and agency level. Capital appropriations are generally made at the fund/account, agency, and project level. The legal level of budgetary control is at the fund/account, agency, and appropriation level, with administrative controls established at lower levels of detail in certain instances. The accompanying "Interim 1987-1989 Biennium Combined Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual - All Governmental Fund Types" ("Governmental Budgetary Schedule") and "Interim 1987-1989 Biennium Combined Schedule of Revenues and Expenses - Budget and Actual - All Proprietary Fund Types" ("Proprietary Budgetary Schedule") are not presented at the legal level of budgetary control. This is due to the large number of different budgeted fund/accounts and appropriations within agencies that would make such a presentation in the accompanying financial statements extremely cumbersome. Section 2400.112 of the GASB Codification of Governmental Accounting and Financial Reporting Standards provides for the preparation of a separate report where necessary in extreme cases. For the state of Washington, two separate reports have been prepared for the 1987-1989 Biennium to illustrate legal budgetary compliance for the first fiscal year of the biennium. Approved budget versus actual expenditures and estimated revenues versus actual revenues and other financing sources (uses) at the fund/account, agency, and appropriation level are presented in Report MFS1054, for governmental funds. Approved budget versus actual expenses for allotted expenses and estimated nonallotted expenses and estimated versus actual revenues are presented in report MFS1064 for proprietary funds. A copy of these reports is available at the Office of Financial Management, 430A Insurance Building, Mail Stop: AQ-44, Olympia, Washington 98504.

Appropriated funds are controlled by the executive branch through the allotment process. This process allocates the appropriation into monthly allotments by program, source of funds, and object of expenditure. Allotment requests are submitted by agencies to OFM. After the allotments are approved, agencies have the legal authority to spend. The Governor, through OFM, is authorized to legally restrict expenditures by placing appropriations in unallotted status, but any additions to a legislative appropriation must be adopted through passage of, or amendments to, appropriation bills. Revenues for the biennium are estimated on a monthly basis by source of revenue. Nonappropriated governmental funds are also subject to allotment control by the executive branch. Nonappropriated governmental funds consist mainly of local college and university funds.

Appropriations lapse at the end of the biennium. Encumbrances also lapse at the end of the biennium except for certain instances where capital encumbrances are reappropriated in the ensuing biennium. Encumbrances are treated as reservations of fund balance for both GAAP and budgetary presentations.

Budgeted amounts reported on the accompanying "Governmental Budgetary Schedule" and "Proprietary Budgetary Schedule" include approved allotments for the 1987-1989 Biennium. The following is a reconciliation from the legislative appropriations to the approved allotments by fund type (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Total (Memo Only)
Legislative Appropriations:							
Original	$ 13,432,372	$ 3,195,844	$ 729,654	$ 608,243	$ 523,860	$ 129,229	$18,619,202
Supplemental	99,959	51,742	-	25,768	55,181	-	232,650
Total Legislative Appropriations	13,532,331	3,247,586	729,654	634,011	579,041	129,229	18,851,852
Unanticipated Receipts	104,068	18,146	-	609	6,225	533	129,581
Total Appropriations	13,636,399	3,265,732	729,654	634,620	585,266	129,762	18,981,433
Unallotted Appropriations	(73,823)	(18,350)	(39,196)	(56,268)	(13,687)	(14,766)	(216,090)
Allotted Appropriations	13,562,576	3,247,382	690,458	578,352	571,579	114,996	18,765,343
Allotments, Nonappropriated Funds	-	968,446	-	17,167	477,160	258,113	1,720,886
Approved Allotment Budget	$ 13,562,576	$ 4,215,828	$ 690,458	$ 595,519	$ 1,048,739	$ 373,109	$20,486,229

Budgetary Reporting versus GAAP Reporting

Governmental Funds

Governmental funds are budgeted materially in conformance with GAAP. However, the presentation in the accompanying "Governmental Budgetary Schedule" is different from the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types" because capital outlays are presented in the accompanying "Governmental Budgetary Schedule" according to how they are budgeted; that is, expenditures which are included in the state's capital budget. However, in the accompanying "Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types," capital outlays are presented according to what was actually purchased; such as land, buildings, and equipment, rather than according to how they were budgeted. Even though the presentation is different, the amounts of "Total Expenditures," "Revenues," and "Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses" are the same.

Proprietary Funds

Proprietary funds are budgeted using a combination of fixed and flexible budgets. Fixed budgets are employed using the appropriation and allotment process. Fixed budgets are included with flexible estimates in business plans prepared by agencies for proprietary operations under their control. These business plans constitute a full accrual GAAP budget for a given proprietary fund.

The accompanying "Proprietary Budgetary Schedule" demonstrates compliance with the appropriated/allotted budget on the line entitled "Allotted Expenses" which presents the approved budget versus actual. This represents the fixed portion of the budget for proprietary funds and typically includes administrative expenses and the budgetary authority to purchase capital assets. This schedule also includes flexible budget estimates and actuals for nonallotted expenses such as depreciation and amortization, and other nonallotted expenses including adjustments to budgeted expenses which reduce amounts shown for capital asset purchases and other adjustments to result in a full accrual presentation. As a result, net income (loss) on the "Proprietary Budgetary Schedule" agrees with the net income (loss) on the "Combined Statement of Revenues, Expenses, and Changes in Fund Equity - All Proprietary Fund Types."

E. Cash and Investments

Short-term investments of surplus or pooled cash balances are recorded at cost, which approximates fair market value for these investments. The method of accounting for noncurrent investments varies depending upon the fund classification. Deferred Compensation Plan investments are reported at market value. Pension and Worker's Compensation Funds value noncurrent investments using the Market Value Method. Unrealized gains and losses are recorded in the fund equity section of the balance sheet; gains and losses are recognized at time of sale or disposition. All other funds value noncurrent equity investments using the Lower of Cost or Market Method and noncurrent fixed income investments at amortized cost. Closing market prices at June 30, 1988 were used for determination of market value.

F. Receivables

Receivables in the state's governmental and fiduciary funds consist primarily of tax and federal revenues. Receivables in all other funds have arisen in the ordinary course of business. Receivables are recorded when either the asset or revenue recognition criteria (see Note 1.C, page 33) has been met.

G. Inventories

Inventories are valued at the lower of cost or market, and recognized principally using the first-in, first-out method. The cost of governmental funds' inventories is recorded as an expenditure when consumed rather than when purchased. Proprietary funds expense the cost of consumable supplies when used.

H. Fixed Assets

Fixed assets are valued at historic cost or at estimated cost if actual historic cost is not available. Donated fixed assets are valued at their estimated fair market value on the date of donation. Where necessary, estimates of original cost and fair market value are derived by factoring price levels from the current period to the time of acquisition.

Fixed assets valued at $300 or more per unit are capitalized and reported in the accompanying financial statements. Fixed asset costs include the purchase price or construction cost, plus those costs necessary to place the asset in its intended location and condition for use. In proprietary and similar trust funds, interest costs (if material) on self-constructed assets are included in the cost. Normal maintenance and repair costs that do not materially add to the value or extend the life of the asset are not capitalized.

Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets) are not capitalized.

Fixed assets in governmental funds are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and related assets are reported in the General Fixed Assets Account Group. Accumulated depreciation is recorded in the General Fixed Assets Account Group. Depreciation is on the straight-line method with estimated useful lives of fifty years for buildings, and five to forty years for furnishings and equipment, other improvements, and miscellaneous.

Fixed assets used in proprietary and similar trust funds are accounted for in the fund in which they are utilized. Depreciation of fixed assets used in proprietary funds is charged as an operating expense and accumulated depreciation is reported on the balance sheet. Depreciation is computed using the straight-line method with estimated useful lives for buildings extending to fifty years. Furnishings and equipment, other improvements, and miscellaneous are depreciated using estimated useful lives of three to forty years.

I. Workers' Compensation Benefits Payable

The state of Washington through Chapter 51 RCW requires employers to secure payment of benefits for job related injuries and diseases either by paying insurance premiums to the Workers' Compensation Fund or by self-insuring. Direct private insurance is not authorized, although self-insurers are permitted to reinsure up to 80 percent of their obligations through private insurers.

The statutes provide five benefit plans to make compensation payments to injured employees for various losses. The Accident, Medical Aid, and Disability Benefit Plans make up the main Workers' Compensation Program. They are designed to be self-sustaining by employer paid insurance premiums and are accordingly accounted for as an insurance enterprise under FAS No. 60 in the Workers' Compensation Fund.

Second Injury benefits are available when a previous claim is being serviced in the Workers' Compensation Fund. This benefit plan receives its own premiums, but it does not carry its own long-term assets or liabilities. Under this plan the present value of any second injury claim is transferred to the Workers' Compensation Fund for further accounting and servicing of the claim. Accordingly, this plan's operations are accounted for in the Human Resources Expendable Trust Fund.

Another plan provides for supplemental cost of living adjustments to injured employees receiving disability payments from the Workers' Compensation Fund. However, the enabling statute requires this plan to operate on a current payment basis and is subject to legislative cancellation. No assets are allowed to accumulate for the future servicing of current or yet-to-be submitted claims. Accordingly, this plan's operations are accounted for in the Human Resource Expendable Trust Fund with the associated liabilities in the General Long-Term Obligations Account Group.

J. Compensated Absences

Annual Leave

Governmental and expendable trust funds recognize annual leave when it is paid. Proprietary funds and similar trust funds recognize the expense and accrued liability when the annual leave is earned.

State employees accrue vested annual leave at a variable rate based on years of service. In general, accrued annual leave cannot exceed 30 days at the employee's anniversary date. A long-term liability of $88.2 million for the accumulated annual leave in governmental and expendable trust funds has been reported in the General Long-Term Obligations Account Group as of June 30, 1988.

Sick Leave

Employees accrue sick leave at the rate of one day per month without limit. Sick leave is not vested; i.e., the state does not pay employees for unused sick leave upon termination except upon employee death or retirement. Each January, employees who accumulate sick leave in excess of 60 days may, at the employees' option, redeem sick leave earned but not taken during the previous year at the rate of one day's pay in exchange for each four days of sick leave. At death or retirement, the state is liable for 25 percent of the employee's accumulated sick leave. Accumulated sick leave balances represent possible future payments dependent upon employee options, not probable payments. As a result, sick leave expenditures/expenses in all funds are recognized when the related payments are made.

K. Totals (Memorandum Only) Columns

The "Totals (Memorandum Only)" columns in the accompanying financial statements represent a summation of the combined financial statement line items of the fund types and account groups. Amounts displayed in these columns are not comparable to a consolidation. These amounts do not represent total financial resources available or the total revenues, expenditures, and expenses of the state because of the following factors: fund types and account groups use different bases of accounting; interfund transactions have not been eliminated; the "Amount to be provided for retirement of general long-term obligations" is not an asset in the usual sense; and restricted and unrestricted amounts have been combined.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity/Deficit Retained Earnings

Governmental Funds

As reflected in the accompanying financial statements, there are no deficit fund balances in governmental funds as of June 30, 1988.

Proprietary and Similar Trust Funds

The State Ferry and Toll Fund, an enterprise fund, had deficit retained earnings of $106.6 million at June 30, 1988. The Department of Transportation (DOT) uses the State Ferry and Toll Fund to account for: (1) receipt of revenue and payment of all operating expenses of the State Ferry system; (2) allocation of financial resources of certain accounts required to be maintained by bond resolution or statute; and (3) accounting for revenues, maintenance, and operations of the Spokane River toll bridge. The Ferry System is considered to be part of the state highway system operated by DOT. As such, if the Ferry System incurs a loss from operations, it is offset by subsidies provided by the Legislature for ferry equipment and facilities. These subsidies are recorded as contributed capital. Therefore, the total State Ferry and Toll Fund equity was $303.5 million at June 30, 1988 as detailed below (expressed in thousands):

Fiscal Year	Contributed Capital	Retained Earnings (Deficit)	Total Fund Equity
Balances at June 30, 1987	$ 373,716	$ (93,575)	$ 280,141
Fiscal Year 1988 Activity	36,345	(12,988)	23,357
Totals	$ 410,061	$ (106,563)	$ 303,498

B. Overexpenditure of Appropriations

Because of the interim nature of the statement, no overexpenditures of appropriations appear on the accompanying "Interim 1987-1989 Biennium Combined Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) Budget and Actual - All Governmental Fund Types" ("Governmental Budgetary Schedule") and "Interim 1987-1989 Biennium Combined Schedule of Revenues and Expenses Budget and Actual - All Proprietary Fund Types" (Proprietary Budgetary Schedule").

Biennial appropriations are made by the Legislature at the fund/account, agency and appropriation level (see detailed explanation for General Budgetary Policies and Procedures in Note 1.D on page 34). No state agency overexpended an appropriation during Fiscal Year 1988 (the first fiscal year of the 1987-1989 Biennium).

NOTE 3 - DETAILED NOTES ON ACCOUNT BALANCES

A. Cash and Investments

At fiscal year end, the carrying amount of Washington's cash and investments was $17.4 billion. Total cash and investments as of June 30, 1988 amounted to $17.6 billion, including outstanding checks and warrants. Of this amount, cash on hand amounted to $44 million, cash with fiscal and escrow agents amounted to $844 million, certificates of deposits amounted to $208 million, and deposits with financial institutions amounted to $47 million. The remaining $16.4 billion represented the total carrying amount of investments.

Deposits

All state deposits are entirely covered by federal depository insurance (FDIC and FSLIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). This is the highest deposit category as defined by GASB Statement 3.

Investments

The State Investment Board and the Office of State Treasurer manage approximately 95 percent of the state's investing activity. Management responsibilities and investment instruments as authorized by statute are as follows:

State Investment Board (SIB)

Statute designates SIB as having investment management responsibility for pension funds, the Workers' Compensation Fund, permanent funds (established at statehood), and other specific funds. The SIB is authorized to invest as provided by statute (RCW 43.33A). Statute and SIB policy authorize investments in the following: Treasury Bills; discount notes; repurchase agreements; reverse repurchase agreements; banker's acceptances; commercial paper; U.S. Government and Agency (government sponsored corporations eligible for collateral purposes at the Federal Reserve) securities; Canadian Government bonds; corporate bonds; nonrated private placements; common and preferred stock; investment partnerships for venture capital; leveraged buy-outs; mortgages; real estate; financial futures; and other investment situations.

Office of the State Treasurer (OST)

The OST operates the state's Cash Management Account for investing cash in excess of daily requirements. Statute authorizes the OST to buy and sell the following types of investments: U.S. Treasury and Agency securities; banker's acceptances; and certificates of deposit with qualified public depositories. Securities underlying repurchase and reverse repurchase agreements are limited to those stated above.

Investment Activity

The state's investments are categorized below per GASB Statement 3 to give an indication of the level of risk assumed at year end. Category 1 includes investments that are insured or registered, or securities which are held by the state or its agent in the state's name. Category 2 includes uninsured and unregistered investments, with securities held by the counterparties' trust departments or agents in the state's name. Category 3 includes uninsured and unregistered investments, with securities which are held by the brokers or dealers, or their trust departments or agents, but not in the state's name. Investments at June 30, 1988, by investment type, are listed below (expressed in thousands):

Investment Type	GASB Categories 1	2	3	Total Carrying Amount	Market Value
Bankers' Acceptances	$ 6,183	$ -	$ -	$ 6,183	$ 6,183
Canadian Government Bonds	55,645	-	2,979	58,624	57,892
Corporate Bonds	1,085,470	-	33,675	1,119,145	1,118,719
Corporate Stocks	1,107,654	-	35,822	1,143,476	1,146,499
Leveraged Buy-outs	894,451	-	-	894,451	894,451
Mortgages	1,260,638	-	-	1,260,638	1,261,228
Mutual Funds	2,425,627	-	-	2,425,627	2,425,546
Real Estate	926,233	-	-	926,233	1,023,845
Repurchase Agreements	217,394	904	1,150	219,448	219,448
Short-term Money Market	2,199,832	-	1,103,250	3,303,082	3,303,082
U.S. Government Securities	3,051,244	-	1,554,034	4,605,278	4,605,724
Venture Capital	267,443	-	-	267,443	267,446
Zero Coupon Bonds	93,699	-	-	93,699	93,836
Miscellaneous	80,958	-	-	80,958	81,093
Total Investments	$ 13,672,471	$ 904	$ 2,730,910	$ 16,404,285	$ 16,504,992

The SIB has authority to enter into security lending agreements. Under the agreement existing at June 30, 1988, the investments in Category 3 were loaned to securities brokers as of June 30, 1988. The securities were loaned and collateralized by the state's agent at 102 percent by U.S. government securities and cash. The cash was invested by the state's agent in repurchase agreements and commercial paper. The securities held as collateral, and the securities underlying the cash collateral, are held by the state's agent, and are not reflected in the June 30, 1988 investment balances. The securities were loaned with the agreement that they will be returned in the future for exchange of the collateral. Under the securities lending agreement existing at June 30, 1988, up to $6.2 billion of the state's investments may be loaned.

Repurchase agreements are collateralized at 102 percent in government or agency securities of less than ten years maturity. The collateral is priced daily and held by the state's agent in the state's name. Repurchase agreements outstanding as of June 30, 1988 are typical of the level of activity during the year. There were no reverse repurchase agreements outstanding as of June 30, 1988. Reverse repurchase investment activity during Fiscal Year 1988 was immaterial.

B. Taxes Receivable

Taxes Receivable at June 30, 1988 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Taxes Receivable:								
Property	$ 344,571	$ -	$ -	$ -	$ -	$ -	$ -	$ 344,571
Excise	181,160	-	-	-	-	-	-	181,160
Sales	32,831	-	-	-	-	-	-	32,831
Business and Occupation	23,338	-	-	-	-	-	-	23,338
Fuel	213	5,120	-	-	-	-	-	5,333
Other	104,497	2,918	-	-	2,089	-	-	109,504
Subtotal	686,610	8,038	-	-	2,089	-	-	696,737
Less: Allowance for Uncollect. Receivables	(30,848)	(89)	-	-	-	-	-	(30,937)
Totals	$ 655,762	$ 7,949	$ -	$ -	$ 2,089	$ -	$ -	$ 665,800

C. Other Receivables

Other Receivables at June 30, 1988 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Accounts Receivable	$ 5,888	$ 28,650	$ 510	$ 133	$ 216,832	$ 1,145	$ 38,148	$ 291,306
Interest Receivable	2,399	3,219	60	26	58,375	42	100,172	164,293
Loans Receivable	-	94	-	-	3	-	79,207	79,304
Miscellaneous Receivable	423,763	206,231	-	111,242	25,910	322	204,087	971,555
Subtotal	432,050	238,194	570	111,401	301,120	1,509	421,614	1,506,458
Less: Allowance for Uncollect. Receivables	(313,041)	(1,813)	-	(4)	(11,825)	(70)	(154,069)	(480,822)
Totals	$ 119,009	$ 236,381	$ 570	$ 111,397	$ 289,295	$ 1,439	$ 267,545	$ 1,025,636

Note: Miscellaneous receivable mainly represents amounts owed the state as a part of the Support Enforcement Program at the Department of Social and Health Services. The General Fund accounts for the amounts due from persons required to pay support for individuals currently on state assistance. The Agency Fund accounts for the amounts due from persons required to pay support for persons not on state assistance. Both programs have low realization expectations and accordingly, are offset by large Allowances for Uncollectible Receivables.

D. Due From and To Other Funds

The following balances at June 30, 1988 represent due from/to balances among all funds and state agencies (expressed in thousands):

Fund Type/Fund	Due From		Due To	
General Fund		$ 142,165		$ 172,892
Special Revenue:				
Motor Vehicle Fund		85,454		20,410
Highway Safety Fund		503		410
State Wildlife Fund		1,545		936
Common School Construction Fund		5,233		258
Central Administrative and Regulatory Fund		21,153		2,210
Human Resources Fund		9,247		5,938
Natural Resources Fund		10,386		2,786
Higher Education Fund		17,429		14,510
		150,950		47,458
Debt Service:				
General Obligation Bond Fund		5,497		6,641
Transportation Bond Fund		1,866		-
		7,363		6,641
Capital Projects:				
State Facilities Fund		319		100
Health Services Facilities Fund		70		76
Natural Resources Construction Fund		179		2,668
Higher Education Construction Fund		7,367		8,987
		7,935		11,831
Enterprise:				
Liquor Fund		571		6,783
Workers' Compensation Fund		3,028		3,508
Convention and Trade Fund		26,070		30,143
Lottery Fund		3,749		9,454
Institutional Fund		934		325
State Ferry and Toll Fund		693		61,748
Student Services Fund		3,607		1,171
Other Activities Fund		352		177
		39,004		113,309
Internal Service:				
Central Services Fund		3,016		11,137
Central Stores Fund		1,469		397
Equipment Revolving Fund		5,187		411
Data Processing Revolving Fund		15,066		1,358
Printing Services Fund		3,727		58
Motor Transport Fund		812		21
Higher Education Revolving Fund		509		299
Other Services Fund		41		23
		29,827		13,704
Trust and Agency:				
Expendable Trust:				
Human Resources Trust Fund	$ 11,107		$ 3,174	
Higher Education Trust Fund	2,728		1,018	
Miscellaneous Trust Fund	3,470		770	
	17,305		4,962	
Nonexpendable Trust:				
Higher Education Endowment Fund	796		2,862	
Common School Permanent Fund	27		2,339	
	823		5,201	
Pension Trust:				
Public Employees' Fund	547		40	
Teachers' Fund	225		116	
L.E.O.F.F Fund	136		3	
State Patrol Fund	15		-	
Judicial Fund	44		-	
Volunteer Firemen Fund	9		2	
	976		161	
Agency:				
Clearing Fund	3,329		159	
Suspense Fund	1,177		15,041	
Local Government Distributions Fund	58,838		-	
Pooled Investments Fund	2,580		70,913	
	65,924	85,028	86,113	96,437
Total Due From and To Other Funds		$ 462,272		$ 462,272

E. General Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group during Fiscal Year 1988 (expressed in thousands):

	Balance June 30, 1987	Additions	Deletions	Balance June 30, 1988
Land	$ 279,518	$ 13,512	$ 23,489	$ 269,541
Buildings	1,155,724	94,931	84,971	1,165,684
Furnishings and Equipment	239,281	43,911	13,431	269,761
Other Improvements and Miscellaneous	308,366	53,841	19,749	342,458
Construction in Progress	91,895	74,076	33,475	132,496
Totals	$ 2,074,784	$ 280,271	$ 175,115	$ 2,179,940

Source of Funds by Fund Type:

General	$ 815,093
Special Revenue	396,775
Capital Projects	968,072
Total	$ 2,179,940

Note: Amounts displayed are net of allowance for depreciation where appropriate.

F. Construction In Progress

Various state agencies were involved in construction projects at June 30, 1988. A summary of major projects follows (expressed in thousands):

Enterprise Funds

State Convention and Trade Center - New Construction	$ 157,070
University of Washington - Intercollegiate Athletic Stadium Expansion	16,936
University of Washington - Sports Facilities Renovations	5,410
Other Projects	6,094
Total Enterprise Funds	185,510

General Fixed Assets Account Group

Department of Corrections - Various Construction and Renovation Projects	11,192
Community Colleges - Various Construction and Renovation Projects	15,989
Department of Social and Health Services - Western State Hospital Ward Renovation	5,562
Department of Social and Health Services - Lakeland Village Habilitation Center Construction	5,407
Department of Social and Health Services - Other Construction and Renovation Projects	14,720
Military Department - Various Construction and Renovation Projects	6,475
University of Washington Health Sciences Building - New Addition	8,052
University of Washington - Other Construction, Renovation and Fire Safety Improvement Projects	34,427
Washington State University Chemistry Building - Phase II Construction	8,541
Washington State University Food and Human Nutrition Building - Phase I Construction	4,392
Washington State University - Various Small Construction and Renovation Projects	3,384
Department of Transportation - Various Small Construction Projects	5,650
Other Small Projects	8,705
Total General Fixed Assets Account Group	132,496
Total Construction in Progress	$ 318,006

G. Deferred Revenues

Deferred Revenues at June 30, 1988 consisted of the following (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Property Taxes	$ 334,643	$ -	$ -	$ -	$ -	$ -	$ -	$ 334,643
Excise Taxes	180,160	-	-	-	-	-	-	180,160
Charges for Services	-	20,562	-	-	15,374	3,234	-	39,170
Timber Sales	48,546	109,702	-	-	-	-	20,911	179,159
Miscellaneous	105,573	82,041	-	862	-	-	15,343	203,819
Totals	$ 668,922	$ 212,305	$ -	$ 862	$ 15,374	$ 3,234	$ 36,254	$ 936,951

H. Lease Commitments

The state leases land, office facilities, office and computer equipment, and other assets. Although lease terms vary, most leases are subject to appropriation from the State Legislature to continue the obligation. If continued legislative appropriations are reasonably assured, leases are considered noncancellable for financial reporting purposes. Leases which represent acquisitions are classified as capital leases and the related assets and liabilities are recorded in the financial records at the inception of the lease. Other leases are classified as operating leases with the lease payments recorded as expenditures or expenses during the life of the lease.

Total lease expense for budgeted funds for Fiscal Year 1988 was $108.5 million. Lease commitments for noncancellable operating and capital leases as of June 30, 1988, were as follows (expressed in thousands):

		Capital Leases			
Lease Commitments During Fiscal Year:	Operating Leases	Enterprise Funds	Internal Service Funds	General Long-Term Obligations Account Group	Total All Leases
1989	$ 70,723	$ 2,264	$ 3,235	$ 3,362	$ 79,584
1990	48,085	1,992	3,003	4,193	57,273
1991	37,987	1,917	1,132	3,551	44,587
1992	33,130	1,680	1,004	2,946	38,760
1993	29,194	1,072	266	2,636	33,168
Thereafter	35,696	3,065	1	1,153	39,915
Total Future Minimum Lease Payments	$ 254,815	11,990	8,641	17,841	$ 293,287
Amounts Representing Executory and Interest Cost		(4,480)	(1,190)	(3,004)	
Present Value of Future Minimum Lease Payments		$ 7,510	$ 7,451	$ 14,837	

I. Workers' Compensation Benefits Payable

Current and Long-Term Workers' Compensation Benefits Payable represents the total actuarially determined present value at June 30, 1988 for benefit payments to qualifying individuals sustaining work related injuries or diseases.

The Department of Labor and Industries actuaries and outside actuarial consultants conducted a review at year-end to determine the present value of the benefits payable for all components of the Workers' Compensation Plan. These liabilities are discounted at an assumed interest rate of 6.5 percent. The actuaries used an inflation rate of 4.5 percent for the Supplemental Cost of Living Benefits Plan and current payment levels for the Medical Aid Benefits Plan.

Workers' Compensation Benefits Payable at June 30, 1988 consisted of the following programs (expressed in thousands):

	Time-Loss	Medical Aid	Disability	Supplemental*	Total
Current Benefits Payable	$ 208,307	$ 170,405	$ 56,712	$ 105,619	$ 541,043
Long-Term Benefits Payable	1,356,371	838,622	526,108	3,164,381	5,885,482
Totals	$ 1,564,678	$ 1,009,027	$ 582,820	$ 3,270,000	$ 6,426,525

* Supplemental Cost of Living Benefits are contingent liabilities of the Workers' Compensation Program. Based upon an assumption of continuation of the current program, the noncurrent portion of this contingent liability, now amounting to $3.164 billion, is recognized in the General Long-Term Obligations Account Group. Legal counsel has advised that legislative termination of this program would eliminate this contingent liability. The present value of anticipated payments for the contingent liability follows (expressed in thousands):

	Current	Noncurrent	Total
Fiscal Year 1989	$ 105,619	$ -	$ 105,619
Fiscal Year 1990	-	104,058	104,058
Fiscal Year 1991	-	102,778	102,778
Fiscal Year 1992	-	101,877	101,877
Fiscal Year 1993	-	98,610	98,610
Thereafter	-	2,757,058	2,757,058
Totals	$ 105,619	$ 3,164,381	$ 3,270,000

J. Bonds Payable

Bonds payable at June 30, 1988 consisted of bonds issued by the state of Washington, accounted for in the General Long-Term Obligations Account Group, and certain state agency bonds accounted for in proprietary funds. A detailed schedule of bonds issued and outstanding and those proprietary bonds accounted for by the State Treasurer are presented in the Washington State Treasurer's Annual Report for 1988. A copy of the report is available from the Office of State Treasurer, Legislative Building, Mail Stop: AS-23, Olympia, Washington 98504-0423.

The State Constitution and enabling statutes authorize the incurrence of state general obligation debt, to which the state's full faith, credit and taxing power are pledged, either by the Legislature or by a body designated by statute (presently the State Finance Committee). Legislative authorization arises from an affirmative vote of 60 percent of both legislative houses without voter consent; or from an affirmative vote of 50 percent of both legislative houses and a majority of the voters voting thereon. State Finance Committee debt authorization does not require voter approval, however, it is limited to providing for: (1) temporary deficiencies in the State Treasury (must be discharged within 12 months of the date of incurrence); or (2) appropriations already made by the Legislature; or (3) refunding of outstanding obligations of the state.

Debt authorized in the preceding procedures are generally limited by the State Constitution and current statutes. The limitations prohibit the issuance of new debt if it would cause the maximum annual debt service on all thereafter outstanding general obligation debt to exceed a specified percentage of the arithmetic mean of general state revenues for the preceding three fiscal years. These limitations are on the incurrence of new debt, not on the amount of debt service which may be paid by the state in future years.

As certified by the State Treasurer, the maximum debt authorization subject to limitation for Fiscal Year 1988 was $2,449.4 million, under the then current constitutional and statutory limitation. This computation excludes specific bond issues and types which are not secured by general state revenues. Based on the debt limitation calculation, the debt service requirements as of June 30, 1988, did not exceed the authorized debt service limitation.

State refunded and defeased bond debt totaled $938.6 million for general governmental bonded debt and $84.8 million for proprietary bonded debt. These refunded and defeased bonds are secured by U.S. Government securities in escrow with the respective banks appointed as bond trustees. Therefore, these bonds are excluded from state debt totals.

1. General Obligation Bonds:

General obligation bonds have been authorized and issued primarily to provide funds for acquisition and construction of capital facilities for public and common schools, higher education, public and mental health, corrections, conservation and, maintenance and construction of highways, roads and bridges. The state also has issued bonds in assistance to municipalities for construction of water and sewage treatment facilities and corrections facilities. In addition, bonds are authorized and issued to provide for the advance refunding of general obligation bonds outstanding.

Total debt service requirements for general obligation bonds to maturity as of June 30, 1988, are as follows (expressed in thousands):

General Long-Term Obligation Bonds:

By Fiscal Year:	Principal	Interest	Total
1989	$ 111,370	$ 221,186	$ 332,556
1990	117,650	213,426	331,076
1991	125,585	204,300	329,885
1992	130,455	194,899	325,354
1993	135,865	185,480	321,345
1994 - 1998	779,485	770,803	1,550,288
1999 - 2003	879,795	455,573	1,335,368
2004 - 2008	537,135	180,364	717,499
Thereafter	166,080	14,682	180,762
Total Debt Service Requirements	$ 2,983,420	$ 2,440,713	$ 5,424,133

General obligation bonds outstanding and bonds authorized but unissued at June 30, 1988 are as follows (expressed in thousands):

Purpose	Outstanding Interest Rates	Outstanding Amount	Authorized but Unissued
School Building Construction	4.10% to 9.18%	$ 40,540	$ -
Higher Education	5.17% to 13.34%	408,795	57,268
Institutional and Public Buildings	4.83% to 9.18%	166,960	22,762
Highways	6.50% to 13.34%	703,595	317,100
Administrative Buildings	5.17% to 13.35%	56,950	-
General	4.85% to 13.35%	1,606,580	589,419
Totals		$ 2,983,420	$ 986,549

2. Limited Obligation Bonds:

Limited obligation bonds have been authorized and issued to provide funds for public school plant facilities, state, county and city arterials, and state capital buildings and facilities. These bonds are payable primarily from dedicated revenue of the state's harbors and tidelands, parking, land grants, and motor vehicle fuel excise tax.

Total debt service requirements for limited obligation bonds to maturity at June 30, 1988 are as follows (expressed in thousands):

Limited Obligation Bonds:

By Fiscal Year:	Principal	Interest	Total
1989	$ 17,550	$ 10,155	$ 27,705
1990	18,550	9,168	27,718
1991	19,620	8,116	27,736
1992	20,745	6,999	27,744
1993	21,930	5,826	27,756
1994 - 1998	73,115	13,399	86,514
1999 - 2003	11,095	1,200	12,295
2004 - 2008	-	-	-
Thereafter	-	-	-
Total Debt Service Requirements	$ 182,605	$ 54,863	$ 237,468

Limited obligation bonds outstanding and bonds authorized but unissued at June 30, 1988 are as follows (expressed in thousands):

Purpose	Outstanding Interest Rates	Outstanding Amount	Authorized but Unissued
School Building Construction	6.50% to 7.21%	$ 29,135	$ -
Highways	5.07% to 5.90%	140,890	25,000
Administrative Buildings	6.94%	12,580	-
Totals		$ 182,605	$ 25,000

3. Revenue Bonds:

Current state statutes empower certain state agencies to issue bonds that are not supported or are not intended to be supported by the full faith and credit of the state. These bonds pledge income derived from acquired or constructed assets for the retirement of the debt and payment of the related interest.

Revenue bonds issued by individual agencies are supported by fees, rentals, and tolls assessed to users. Issuing agencies include the University of Washington (Housing, Dining, Parking, Student Facilities, and Hospital construction), The Evergreen State College (Housing), Eastern Washington University (Dining and Student Facility construction), Central Washington University (Housing), Western Washington University (Housing and Dining), various Community Colleges (Housing and Dining), Washington State Department of Transportation (Ferry Systems and Toll Bridges), and the Washington State Trade and Convention Center.

Total debt service requirements for revenue bonds to maturity at June 30, 1988 are as follows (expressed in thousands):

Revenue Bonds:

By Fiscal Year:	Principal	Interest	Total
1989	$ 9,697	$ 22,947	$ 32,644
1990	10,339	22,089	32,428
1991	10,939	21,418	32,357
1992	11,508	20,710	32,218
1993	12,271	19,964	32,235
1994 - 1998	71,424	86,711	158,135
1999 - 2003	88,174	60,132	148,306
2004 - 2008	83,866	28,324	112,190
Thereafter	23,768	84,743	108,511
Total Debt Service Requirements	$ 321,986	$ 367,038	$ 689,024

Revenue bonds outstanding and bonds authorized but unissued at June 30, 1988 are as follows (expressed in thousands):

Purpose	Outstanding Interest Rates	Amount	Authorized but Unissued
Higher Education - Student Activities	2.75% to 11.00%	$ 109,748	$ -
Institutional and Public Buildings	4.25% to 15.00%	61,858	-
Ferries and Toll Bridges	3.50% to 5.50%	21,615	-
Convention and Trade	7.48% to 8.86%	128,765	32,000
Totals		$ 321,986	$ 32,000

K. Changes in General Long-Term Obligations

Changes in the General Long-Term Obligations Account Group for Fiscal Year 1988 are summarized as follows (expressed in thousands):

	Bonds Payable	Workers' Compensation Benefits Payable	Accrued Retirement Obligations	Installments & Leases Payable	Other Long-Term Obligations	Total General Long-Term Obligations
Balances at July 1, 1987	$ 2,908,702	$ 2,346,095	$ -	$ 20,725	$ 95,719	$ 5,371,241
Unrecorded excess of actuarially estimated unfunded employee pension costs over amounts recorded as expenditures in governmental fund types	-	-	575,900	-	-	575,900
Balances as Restated	2,908,702	2,346,095	575,900	20,725	95,719	5,947,141
General obligation debt issues	370,550	-	-	-	-	370,550
Actuarial increase in workers' compensation liability	-	818,286	-	-	-	818,286
Increase in installment contract obligations	-	-	-	9,093	-	9,093
Increase in lease obligations	-	-	-	6,880	-	6,880
Increase in compensated absences earned	-	-	-	-	9,810	9,810
Excess of actuarially determined retirement obligations over amounts recorded as expenditures in governmental fund types	-	-	105,250	-	-	105,250
Increase in other long-term obligations	-	-	-	-	964	964
Retirement of Principal	(113,227)	-	-	(14,639)	(9,594)	(137,460)
Balances at June 30, 1988	$ 3,166,025	$ 3,164,381	$ 681,150	$ 22,059	$ 96,899	$ 7,130,514

L. Fund Equity - Other Specific Reserves

Certain fund equity reserves presented in the accompanying financial statements as of June 30, 1988, as Reserved for Other Specific Purposes in governmental funds and, Reserved Retained Earnings in proprietary funds, are further detailed as follows (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total (Memo Only)
Petty Cash	$ 397	$ 1,052	$ -	$ -	$ -	$ -	$ 30	$ 1,479
Long-Term Investments	983	7,930	-	169	-	-	8,892	17,974
Long-Term Receivables	118,871	640	-	26	-	-	77,492	197,029
Debt Service	-	-	-	-	5,492	-	-	5,492
Totals	$ 120,251	$ 9,622	$ -	$ 195	$ 5,492	$ -	$ 86,414	$ 221,974

NOTE 4 - FUND EQUITY RESTATEMENT

Fund Equity at June 30, 1987 has been restated as follows (expressed in thousands):

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust	Total (Memo Only)
Fund Equity at June 30, 1987 as Previously Reported	$ 304,716	$ 475,564	$ 68,264	$ 57,529	$ 883,435	$ 162,541	$11,306,962	$13,259,011
Reclassifications	(310)	16,720	(30)	-	(17,248)	-	310	(558)
Prior Period Adjustments	-	-	-	-	-	-	(7,674)	(7,674)
Fund Equity as Restated, July 1	$ 304,406	$ 492,284	$ 68,234	$ 57,529	$ 866,187	$ 162,541	$11,299,598	$13,250,779

The restatements are explained as follows:

Reclassifications - Accounting and reporting treatment applied to an account is determined by its measurement focus. Accounts have been reclassified to reflect their proper measurement focus as follows (expressed in thousands):

Account Titles	Fund Type Reclassified From	Amount	Fund Type/Account Group Reclassified To	Amount
Business Enterprise Revolving Account	General	$ (310)	Expendable Trust	$ 310
University of Washington Bond Retirement Account, 1975	Debt Service	(19)	Agency	N/A
Office-Laboratory Facilities Bond Redemption Account	Debt Service	(11)	Agency	N/A
State Forest Nursery Revolving Account	Enterprise	(1,256)	Special Revenue	1,256
State Forest Nursery Revolving Account	Enterprise	(566)	General Fixed Assets	N/A
State Forest Nursery Revolving Account	Enterprise	41	General Long-Term Obligations	N/A
Statute Law Committee Publications Account	Enterprise	(731)	Special Revenue	731
Spokane River Toll Bridge Account	Enterprise	(3)	Agency	N/A
Perpetual Maintenance Account	Enterprise	(14,733)	Special Revenue	14,733

Prior Period Adjustments - Fund Equity at June 30, 1987 as previously reported has been restated due to adjustments to prior periods as follows:

a. Expendable trust fund revenues were overstated by $6.3 million in Fiscal Year 1987 due to an overstatement of other receivables.

b. Nonexpendable trust fund equity was overstated by $1.4 million on June 30, 1987 due to a misstatement of investment income and expenses in prior years.

Other Adjustments Not Affecting Beginning Fund Equity

Fiscal Year 1987 trust operating revenues were understated and unrealized gains on investments were overstated by $185 million. Total pension trust fund equity as of June 30, 1987 was not misstated. However, a correction was made in the current year to reclassify reserved for unrealized gain on investments to reserved for retirement systems.

The Local Government Investment Pool, which are investments by the State Treasurer on behalf of participating local governments, totaling $346 million, was omitted from the Combined Balance Sheet as of June 30, 1987. These investments, totaling $452 million as of June 30, 1988, have been recorded in the Pooled Investments Agency Fund and included in the accompanying Combined Balance Sheet.

NOTE 5 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The state of Washington operates enterprise funds which are intended to be self-supported through fees charged to the public. Certain of these funds are further broken down into individual accounts for administrative purposes. Enterprise fund activities operated by the state include the following:

	Primary Source of Revenue or Purpose
Liquor Fund	Sales of liquor, and licenses and permits to sell liquor.
Workers' Compensation Fund	Employer contributions for workers' compensation for employment related accidents and disabilities.
Convention and Trade Fund	The Convention and Trade Center was opened in the spring of 1988 to attract national and regional conventions to Washington State.
Lottery Fund	Washington State Lottery revenues and operations.
State Ferry and Toll Fund	Tolls and fares related to various bridge and ferry operations.
Student Services Fund	Sales and fees related to housing, food service, bookstores, and other enterprises managed by the state colleges and universities.
All Other Enterprise Funds	Services and fees charged by the various departments including: Department of Social and Health Services and the Department of Corrections.

The table below (expressed in thousands) reflects in a summarized format the significant enterprise fund activities which have occurred during the fiscal year ended June 30, 1988. Interfund transactions have not been eliminated for purposes of this analysis:

	Liquor Fund	Workers' Compensation Fund	Convention and Trade Fund	Lottery Fund	State Ferry and Toll Fund	Student Services Fund	All Other Enterprise Funds	Total Enterprise Funds
Operating Revenues	$ 94,752	$ 617,427	$ 6,967	$ 214,048	$ 73,181	$ 283,605	$ 11,299	$ 1,301,279
Depreciation and Amortization	948	1,951	137	328	11,037	15,624	966	30,991
Operating Income (Loss)	51,962	(343,474)	4,339	80,605	(13,058)	19,959	51	(199,616)
Operating Interfund Transfers (Net)	(28,574)	5,470	-	(82,835)	-	733	3,022	(102,184)
Net Income (Loss)	2,090	(61,252)	4,269	(1,773)	(12,988)	14,760	3,330	(51,564)
Current Capital Contribution	-	-	-	-	36,345	227	2	36,574
Net Working Capital	23,387	(232,148)	16,208	65	(42,217)	78,215	7,392	(149,098)
Change in Fixed Assets	(358)	639	38,096	(8)	26,125	15,875	370	80,739
Total Assets	53,579	3,332,984	222,158	113,862	397,253	495,241	14,318	4,629,395
Bonds and Other Long-Term Liabilities Payable from Operating Revenues	-	1,089	129,473	81,502	20,190	179,797	48	412,099
Other Long-Term Liabilities Payable from Other Sources	-	2,721,101	-	-	-	-	-	2,721,101
Total Equity	26,863	133,220	55,828	1,083	303,498	267,632	11,172	799,296

NOTE 6 - RETIREMENT SYSTEMS

A. General Description of the Retirement Systems

The state of Washington administers four major retirement systems: Public Employees' Retirement System (PERS), Teachers' Retirement System (TRS), Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF), and Washington State Patrol Retirement System (WSP). Information pertinent to each plan is stated below. Unless otherwise specified, amounts stated pertain to the entire Retirement System, not to the state.

PERS, TRS, and LEOFF are Cost-Sharing Multiple-Employer Retirement Systems. These retirement systems contain two plans. Participants who joined the systems by September 30, 1977 are Plan I members. Those joining thereafter are enrolled in Plan II. The WSP is a Single-Employer Retirement System. Pension benefit provisions for the major plans have been established by statute. Retirement benefits for the major plans are vested after an employee completes five years of eligible service.

The employers' actual current-year covered payroll for the fiscal year ended June 30, 1988 is noted below for each system (expressed in millions):

	PERS	TRS	LEOFF	WSP
Employers' Current-Year Covered Payroll	$ 2,839	$ 1,459	$ 328	$ 29

The WSP total current-year payroll was $30 million. The employers' total current-year payroll for employees in the other retirement systems statewide was not readily available, but may be obtained on an individual basis from the financial statements for each employer.

PERS, TRS, LEOFF, and WSP retirement benefits are financed from employee and employer contributions and investment earnings. LEOFF benefits are also financed through legislative appropriations. Employee contributions to PERS, TRS, and LEOFF accrue interest at a rate specified by the Department of Retirement Systems (DRS). During Fiscal Year 1988, the DRS-established rate on employee contributions was 5.5 percent, compounded quarterly. WSP Retirement System employee contributions earn 5.5 percent interest, compounded monthly, as established by statute (changed 9-1-87). Employees in all four major retirement systems can elect to withdraw total employee contributions and interest earnings thereon upon termination.

The Entry Age Cost Method is used in PERS I, TRS I, LEOFF I, and WSP to determine the Normal Cost. The Aggregate Cost Method is used in PERS II, TRS II, and LEOFF II to establish a contribution rate which is a level percentage of pay. For PERS, TRS, and LEOFF, the Unfunded Actuarial Accrued Liability (U.A.A.L.) is amortized as a level percentage of all salaries (Plans I and II) over periods ending in 2025, 2014 and 2010 respectively; for WSP it is over a rolling 40 years. Plans II have no U.A.A.L.

B. Related Party Agreements

The Washington State Retirement Systems have no related party agreements.

C. Funding Status And Progress

The total pension benefit obligation for each plan is stated on an individual basis. These totals are based on a standardized disclosure measure as required by GASB Statement 5. This standardized measure is the actuarial present value of credited projected benefits, adjusted for the effects of projected salary increases and any step-rate benefits (LEOFF only) estimated to be payable in the future as a result of employee service to date. Use of the standardized measure enables readers of Washington's financial statements to: (a) assess on an ongoing basis the funding status of each system; (b) assess progress made in accumulating sufficient assets to pay benefits when due; and (c) make comparisons with other states or other retirement systems. The standardized disclosure method is independent of the actuarial funding method used to determine contributions to the retirement systems. The assumptions used to determine the contribution rates are the same as those used in determining the pension benefit obligation.

Historical Trend Information for the major plans is found in the Supplementary Section of this report. This will provide information about the progress made by Washington State in accumulating sufficient assets to pay benefits when due.

The Office of the State Actuary, using methods prescribed by statute, determines actuarially required contribution rates for the various systems. The rates actually levied are determined by the Legislature which is not obligated to follow the actuarially determined rates. Often the actual rates have been less than those actuarially required. The amounts levied for all systems are recorded in the General Long-Term Obligations Account Group and displayed in the Changes in General Long-Term Obligations (see Note 3.K, page 47). The aggregate amount for all retirement systems was $105.3 million as of June 30, 1988.

D. Summary of Selected Actuarial Data

The following summary of selected actuarial data, compiled in accordance with GASB Statement 5, was prepared by the Office of the State Actuary using the latest available data for the major state-administered retirement systems:

	PERS	TRS	LEOFF	WSP	Total (Memo Only)
NUMBER OF PARTICIPANTS:					
Active Members	125,651	47,266	10,019	844	183,780
Inactive Members	5,047	3,438	153	49	8,687
Retired Members	44,153	20,951	4,756	283	70,143
Total Participants	174,851	71,655	14,928	1,176	262,610
Latest Actuarial Valuation Date	12-31-87	6-30-87	12-31-87	6-30-87	
Actuarial Update		6-30-88		6-30-88	
PENSION BENEFIT OBLIGATION (dollars expressed in millions):					
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$ 2,353	$ 1,741	$ 1,531	$ 61	$ 5,686
Current Employees:					
Accumulated employee contributions including allocated investment income	1,432	1,100	219	24	2,775
Employer-financed vested benefits	1,959	2,400	990	90	5,439
Employer-financed nonvested benefits	200	108	29	1	338
Total Pension Benefit Obligation	5,944	5,349	2,769	176	14,238
Net Assets Available for Benefits as of Actuarial Date	(4,949)	(3,260)	(2,012)	(166)	(10,387)
Unfunded Pension Benefit Obligation	$ 995	$ 2,089	$ 757	$ 10	$ 3,851

E. Significant Actuarial Assumptions

A summary of significant actuarial assumptions used to determine the standardized measure of the pension benefit obligation for each of the systems is listed below:

- The discount rate used to determine the present value of the pension benefit obligation was 8.8 percent in 1987, grading to 7 percent in 1990.
- A 5.25 percent projected salary increase due to inflation.
- Projected salary increases due to merit or seniority are based on length of service, with new employees getting increases after one year of service.

  PERS - 7 percent for the first year grading to zero with ten years of service.
  TRS - 6 percent grading to zero with fifteen years of service.
  LEOFF - 10 percent grading to zero with ten years of service.
  WSP - 5.5 percent grading to zero after six years of service.

- For WSP, a post retirement benefit increase which is 2 percent of the original benefit amount.
- For WSP, a change was made in actuarial assumptions to include military service. This increased the pension benefit obligation by $8.5 million; the change in normal costs is less than 2 percent of salaries or $600,000.
- Normal costs for the systems are as follows:

PERS I - 12.07 percent of pay	PERS II - 9.33 percent of pay
TRS I - 16.13 percent of pay	TRS II - 13.45 percent of pay
LEOFF I - 43.67 percent of pay	LEOFF II - 15.20 percent of pay
WSP - 25.38 percent of pay	

- Employee contributions are fixed at 6 percent in PERS I, LEOFF I, and TRS I, and 7 percent in WSP. Employers contribute 6 percent in LEOFF I and the state pays the remaining employer share. All retirement system Plan II members pay 50 percent of the normal costs (as of the most recent valuation), with the state or employer paying the balance. For LEOFF II, the state pays 20 percent and the employer pays 30 percent.

- The aggregate cost method incorporates all costs into one rate. There is not a separate U.A.A.L. rate for Plans II. The U.A.A.L. of Plans I are amortized over future salaries of both Plan I and Plan II members.

F. Details of Major Plans

Public Employees' Retirement System (PERS)

PLAN INFORMATION

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior Courts (other than judges); employees of legislative committees; community college, college and university employees not in national higher education retirement programs such as Teachers' Insurance and Annuity Association/College Retirement Equity Fund (TIAA/CREF); judges of district and municipal courts; noncertificated employees of school districts; and employees of local government. Approximately 50 percent of PERS members are state employees.

Plan I members are eligible for retirement after 30 years of service, or at the age of 60 with 5 years service, or at the age of 55 with 25 years of service. The annual pension is 2 percent of the average final compensation per year of membership service (average final compensation is based on the greatest compensation during any 24 consecutive compensation months), capped at 60 percent.

Plan II members may retire at the age of 65 with 5 years of service, or at age 55 with 20 years of service, with an allowance of 2 percent per year of service of the average final salary (average final compensation is based on the greatest compensation during any consecutive 60 month period). Plan II retirements prior to age 65 are actuarially reduced. There is no cap on years of service credit and a cost-of-living allowance is granted, capped at 3 percent annually.

Both plans also provide death and disability benefits. No significant changes were made in PERS benefit provisions for fiscal year ended June 30, 1988.

CONTRIBUTIONS REQUIRED AND CONTRIBUTIONS MADE

Each biennium the Legislature establishes Plan I employer contribution rates and Plan II employer and employee contribution rates. Employee contribution rates for Plan I are established by statute at 6 percent and do not vary from year to year. Employer rates for Plan I are not necessarily adequate to fully fund the system. The employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund the system. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute.

The state's actuarially determined (12-31-87) contribution as a percentage of employers' current-year covered payroll for fiscal year ended June 30, 1988, was 8.19 percent for Plan I of which 6.07 percent represents normal costs and 2.12 percent represents the U.A.A.L. For Plan II, the rate was 6.79 percent, 4.67 percent represents normal costs and 2.12 percent represents the U.A.A.L. for Plan I. The state's contribution represents approximately 50 percent of the total current-year actuarially determined contribution for all employers covered by the pension plan. The PERS actuarially determined contribution for the fiscal year ended June 30, 1988 was $364 million. The total actual contribution for Fiscal Year 1988 was $323 million, of which the actual employer contributions were $170 million and the actual employee contributions were $153 million. Actual contribution rates (expressed as a percentage of the employers' current-year covered payroll) for Fiscal Year 1988, were as follows:

	PLAN I	PLAN II
Employer Contributions:		
State Agencies	5.95	5.99
Local Governmental Units	5.96	6.00
State Government Elective Officials	8.25	6.54
Employee Contributions:		
State Agencies	6.00	4.90
Local Governmental Units	6.00	4.90
State Government Elective Officials	7.50	4.90

The measurement of the total pension benefit obligation is based on the actuarial valuation as of December 31, 1987. Net assets available to pay pension benefits were valued as of the same date.

Teachers' Retirement System (TRS)

PLAN INFORMATION

The TRS was legislatively established in 1938. Eligibility for membership requires service as a certificated employee in grades K-12 in the public schools. TRS is comprised principally of nonstate employees.

Teachers in Plan I are eligible to retire either after 30 years of service, or at the age of 60 with 5 years of service, or at age 55 with 25 years of service. The benefit is 2 percent of the average earnable compensation per year of service (average earnable compensation is based on the greatest compensation during any consecutive two final compensation contract years). There is no cost-of-living allowance.

The normal retirement age for Plan II employees is 65. Plan II benefits are 2 percent of the final average salary per year of service with a cost-of-living allowance indexed to the Consumer Price Index and capped at 3 percent annually (average final compensation is based on the greatest compensation during any consecutive 60 month period).

Death and disability benefits are available in both Plan I and Plan II. These plans had no major changes in the retirement benefit provisions for fiscal year ended June 30, 1988.

CONTRIBUTIONS REQUIRED AND CONTRIBUTIONS MADE

Each biennium the Legislature establishes Plan I employer contribution rates and Plan II employer and employee contribution rates. Employee contribution rates for Plan I are established by statute at 6 percent and do not vary from year to year. Employer rates for Plan I are not necessarily adequate to fully fund the system. The employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund the system. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute.

The state's actuarially determined contribution as a percentage of employers' current-year covered payroll for fiscal year ended June 30, 1988, was 16.93 percent, of which 10.13 percent represents normal costs and 6.80 percent represents the U.A.A.L. for Plan I. For Plan II, the rate was 13.45 percent, of which 6.65 percent represents normal costs and 6.80 percent represents the U.A.A.L. for Plan I. As an employer, the state's contribution to TRS is an insignificant percentage of the total current-year actuarially determined contribution for all employers covered by the pension plan. However, since the state constitution requires the state to fund "Basic" education, the state is responsible for the majority of the pension liabilities incurred by TRS (whose members are primarily non-employees). The total contribution requirement to TRS for the fiscal year ended June 30, 1988, was $315 million. Actual employer contributions were $163 million; actual employee contributions were $89 million, for a total actual contribution of $252 million. Actual contribution rates (expressed as a percentage of employers' current-year covered payroll) for fiscal year ended June 30, 1988, were as follows:

	PLAN I	PLAN II
TRS Employee Contributions	6.00	6.99
Employer Contributions	11.33	11.33

The measurement of the total pension benefit obligation is based on a June 30, 1987, actuarial valuation which was updated to June 30, 1988. Net assets available to pay pension benefits were projected to the same date.

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

PLAN INFORMATION

LEOFF was established in 1970 by the Legislature. Membership includes all full-time, fully compensated, local law enforcement officers and fire fighters. LEOFF is comprised solely of nonstate employees.

Plan I participants are eligible to retire with 5 years of service at the age of 50. The benefit per year of service is as follows:

Term of Service	Percent of Final Average Salary
20+	2.0%
10-20	1.5%
5-10	1.0%

The final average salary is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for twelve months preceding the date of retirement. Otherwise, it is the average of the highest consecutive twenty-four months salary within the last ten years of service. Retirement benefits are fully indexed to the Seattle area Consumer Price Index.

Plan II participants are eligible to retire at the age of 50 with 20 years of service, or at 58 with 5 years of service. Retirement benefits prior to age 58 are actuarially reduced. The benefit is 2 percent of average salary per year of service. The average salary is based on the highest consecutive 60 months. Retirement benefits are indexed to the Consumer Price Index with a cap of 3 percent annually.

Significant death and disability benefits are provided by Plan I, lesser death and disability benefits are provided by Plan II. These benefit provisions were established by statute. There were no material changes in LEOFF benefit provisions for fiscal year ended June 30, 1988.

CONTRIBUTIONS REQUIRED AND CONTRIBUTIONS MADE

Plan I employers and employees are required to contribute at a rate of 6 percent and the state is responsible for the balance of the funding. Employer and employee contribution rates for Plan II are developed by the Office of the State Actuary to fully fund the system. Plan II employers and employees are required to pay at the level established by the Legislature. The methods used to determine the contribution requirements were established by statute.

The state's actuarially determined contribution rate as a percentage of employers' current-year covered payroll for fiscal year ended June 30, 1988, was 43.43 percent for Plan I, of which 31.67 percent represents normal costs and 11.76 percent represents the U.A.A.L. For Plan II, the rate was 14.80 percent, of which 3.04 percent represents normal costs and 11.76 percent represents the U.A.A.L. for Plan I. As an employer, the state makes no contributions to LEOFF; however, the Legislature appropriates money from the general fund to supplement the LEOFF system. This is not a constitutional requirement and this liability could be returned to the employer by a change of statute. The total contribution requirement for Fiscal Year 1988, was $137.7 million. Actual employer contributions were $16 million; actual employee contributions were $20 million, for a total of $36 million. The actual state contribution was $57 million, for a grand total of actual contributions of $93 million. Actual contribution rates (expressed as a percentage of employers' current-year covered payroll) for Fiscal Year 1988, were as follows:

	PLAN I	PLAN II
Employer Contributions	6.00	4.85
Employee Contributions	6.00	8.09
State of Washington Contributions	30.00	3.24

The measurement of the total pension benefit obligation is based on the actuarial valuation as of December 31, 1987. Net assets available to pay pension benefits were valued as of the same date.

Washington State Patrol Retirement System (WSP)

PLAN INFORMATION

The Washington State Patrol Retirement System was established by the Legislature in 1947. Any commissioned employee of the State Patrol is eligible to participate.

Benefit provisions include death benefits, however, the plan contains no disability benefits. Members are eligible to retire at age 55 or after 25 years of service with a benefit of 2 percent of final average salary per year of service. The benefit is capped at 75 percent of final average salary. In addition, a 2 percent cost-of-living allowance is included. No significant changes were made in WSP benefit provisions for fiscal year ended June 30, 1988.

CONTRIBUTIONS REQUIRED AND CONTRIBUTIONS MADE

The state's actuarially determined contribution rate (expressed as a percentage of the state's current-year covered payroll) for fiscal year ended June 30, 1988, was 19.86 percent, of which 18.38 percent represents normal costs and 1.48 percent represents the U.A.A.L. Statutes obligate employees to contribute at a fixed rate of 7 percent. The WSP actuarially determined contribution for the fiscal year ended June 30, 1988, was $7.9 million. Actual employee contributions for fiscal year 1988, were $2.1 million. No obligation to contribute is established for the state. However, actual contributions for fiscal year ended June 30, 1988, were made by the state at a rate of 19.88 percent, or $6 million.

TREND INFORMATION

Three-Year Historical Trend Information for the Washington State Patrol Retirement System is presented below:

WASHINGTON STATE PATROL HISTORICAL TREND INFORMATION - FISCAL YEARS 1986 TO 1988

	1988	1987	1986
Net assets available for benefits as a percentage of the pension benefit obligation to the State Patrol employees	94.6%	94.7%	87.2%
Unfunded pension benefit obligation as a percentage of the State Patrol's annual covered payroll	32.3%	31.4%	84.8%
State contributions to the pension plan as a percentage of the state's annual covered payroll	19.8%	22.6%	22.6%

The measurement of the total pension benefit obligation is based on a June 30, 1987, actuarial valuation which was updated to June 30, 1988. Net assets available to pay pension benefits were projected to the same date.

G. Other Retirement Systems

The following retirement systems also provide benefits to employees in the state of Washington: Judicial Retirement System; Volunteer Firemen Retirement System; and Teachers' Insurance and Annuity Association/College Retirement Equity Fund (TIAA/CREF) and Higher Education Supplement.

The Judicial Retirement System

The Judicial Retirement System is a Single-Employer Retirement System established by the Legislature in 1971. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts, on or after August 9, 1971. The system was capped July 1, 1988.

Any member who involuntarily terminates with 12 or more years of credited service and 15 years after beginning judicial service, or voluntarily terminates with 15 or more years of credited service, is vested and shall receive retirement benefits upon attaining age 60. Retirement benefits are 3 percent of the average final compensation for less than 15 years of service and 3.5 percent for more than 15 years of service. Death and disability benefits are also provided. Judicial System retirement benefits are financed by employee contributions totaling 7.5 percent of paid compensation, and by state contributions which are made on a pay-as-you-go basis. Judicial employees earn no interest on contributions and may not elect to withdraw their contributions upon termination.

Actual employer contributions for Fiscal Year 1988 were $734,778; actual employee contributions were $734,769, for a total contribution amount of $1,469,547.

The latest actuarial valuation date for the Judicial Retirement System was December 31, 1987. Based on that valuation, the total pension benefit obligation was $58.4 million, net assets available for benefits were $1.1 million, and the unfunded actuarial present value of accumulated plan benefits was $57.3 million. The normal cost was developed using the Entry Age Normal Cost Method. The U.A.A.L. is amortized over a period ending December 31, 2027.

The Volunteer Firemen Retirement System

The Volunteer Firemen Retirement System is a Cost-Sharing Multiple-Employer System created by the Legislature in 1945. Membership in the system requires service with a fire department of an electing municipality of Washington State except those covered by LEOFF. The system is funded through member contributions of $20 per year; employer contributions of $10 per year; and 40 percent of the Fire Insurance Premium Tax. Members of the Retirement System earn no interest on contributions and may elect to withdraw their contributions upon termination.

The latest actuarial valuation date was December 31, 1987. As of that date, the total pension benefit obligation was $50 million, the actuarial value of net assets available for benefits was $43 million, and an U.A.A.L. of $7 million. The U.A.A.L. is amortized over a period ending December 31, 2017.

TIAA/CREF

TIAA/CREF is a defined contribution retirement plan; contributions range from 5 to 10 percent of salary. TIAA/CREF covers faculty members of the higher education institutions in Washington State. The projected accumulations as of June 30, 1988 were $345 million for TIAA, and $440 million for CREF. The benefits of some retirees are supplemented. Supplements paid by the state during Fiscal Year 1988 were $4.5 million with an associated U.A.A.L. of $45 million.

NOTE 7 - DEFERRED COMPENSATION PLAN

The state of Washington offers its employees, and employees of those political subdivisions that elect to participate, a deferred compensation plan pursuant to RCW 41.04.250, in accordance with Internal Revenue Code Section 457. Under the plan, eligible employees elect to defer a portion of their salary until future time periods. The deferred compensation is not available to employees until termination, retirement, disability, death, or unforeseeable financial emergency.

Compensation deferred under the plan and all income attributable to the plan are solely the property of the state. The state's rights to this property are subject only to the claim of the state's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan. Political subdivisions electing to participate retain separate property rights.

The rights of state employees under the plan are equal to those of general creditors of the state in an amount equal to the fair market value of the deferred account for each participant.

The Deferred Compensation Committee has fiduciary responsibility for plan assets and has the duty of due care that would be required of an ordinary prudent investor. It is highly unlikely that the state will be required to use the assets to satisfy claims of general creditors in the future.

Of the $122.6 million in the plan at June 30, 1988, $119.8 million was applicable to the state, while the remaining $2.8 million represents the assets of the other jurisdictions participating in the plan. Deferred Compensation Plan investments along with the corresponding liability, are recorded at fair market value in the Deferred Compensation Agency Fund.

NOTE 8 - SUMMARY OF SIGNIFICANT LITIGATION

The state and its agencies are parties to numerous routine legal proceedings which normally occur in governmental operations, but the recurring patterns of such litigation is not likely to have a materially adverse effect on the state's financial position. Two matters are herein noted.

In prior years' financial statements, references were made to challenge the multiple activities exemption contained in the state's Business and Occupation Tax Law in National Can Corp. v. State of Washington and the companion case of Tyler Pipe v. Washington Department of Revenue, 107 S.Ct. 2810 (1987). The major fiscal issues presented in that litigation have been resolved by changes in legislation and the ruling by the State Court that the taxpayers were not entitled to refunds for prior tax periods. National Can Corp. v. Department of Revenue, 109 WN.2d 878 (1988). That decision became final when the United States Supreme Court declined review on June 6, 1988.

In November, 1984, holders of Washington Public Power Supply System Project Nos. 4 and 5 revenue bonds, which is not a state agency, sued the state of Washington and certain state elected officials in a class action suit in State Court. That law suit sought to impose liability on the state under several alternative theories for payment on these bonds. The action was dismissed solely on the basis of the complaint as filed. On May 12, 1988, the Washington State Supreme Court reversed the dismissal and remanded for further proceedings simply ruling that the dismissal at the preliminary stage was inappropriate and the plaintiffs should have an opportunity to produce and present evidence in support of its allegations. However, a motion for reconsideration is pending with the Washington State Supreme Court. While there have been no findings or conclusions with respect to the merits of the claims of liability, the state is participating with the parties in the federal court action, In re Washington Public Power Supply System Securities Litigation, MDL No. 551, U.S. District Court (District of Arizona), in a comprehensive settlement of all bondholder claims. The state's agreed payment under that comprehensive settlement, which is awaiting final approval by the federal court, will be $10 million.

NOTE 9 - SUMMARY OF SUBSEQUENT EVENTS

Bond Issues

The state issued $291.6 million in various purpose general obligation refunding bonds on October 1, 1988. These bonds provided for the advance refunding of bonds issued for higher education and state buildings and facilities construction. They also provided for the advanced refunding of previously refunded bond issues.

A new $50 million zero coupon bond issue on October 4, 1988 provided $18.9 million for various capital projects throughout the state. These bonds are sold to Washington State citizens as part of a new college savings program.

Another advance refunding issue on November 1, 1988 provided $91.2 million to effectively defease $83.1 million in State Convention and Trade Center bonds. With this refunding issue, $9.7 million in Series AT-1 bonds still remain outstanding.

On December 1, 1988 the state issued $188.2 million in various purpose bonds. Within this bond issue, $79 million in general obligation bonds provided funding for various waste disposal, social and health, higher education, and state building construction projects. County road projects also received $12 million from Motor Vehicle Fuel Tax bonds included in this general issue. In addition, this bond issue provided $65.6 million for advance refunding of various purpose general obligation bonds and $31.6 million to refund various general obligation Motor Vehicle Fuel Tax bonds.

Required Supplementary Information

STATE OF WASHINGTON

Public Employees' Retirement System
Analysis of Funding Progress
Calendar Years 1979 through 1987
(dollars in millions)

	1987	1986	1985	1984	1983	1982	1981	1980	1979
Net Assets Available for Benefits	$4,949	$3,860	$3,117	$2,622	$2,732	$2,184	$1,992	$1,730	$1,485
Pension Benefit Obligation	$5,944	$5,304	$4,797	$4,258	$4,138	$3,808	$3,415	$3,076	$2,733
Percentage Funded	83%	73%	65%	62%	66%	57%	58%	56%	54%
Unfunded Pension Benefit Obligation	$ 995	$1,444	$1,680	$1,636	$1,406	$1,624	$1,423	$1,346	$1,248
Annual Covered Payroll	$2,932	$2,668	$2,524	$2,265	$2,084	$1,922	$1,850	$1,744	$1,534
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	34%	54%	67%	72%	67%	84%	77%	77%	81%

Note: Data for 1978 was not available.

Source: Washington State Office of the State Actuary.

Public Employees' Retirement System
Revenues by Source and Expenses by Type
Calendar Years 1979 through 1987
(dollars in millions)

	1987	1986	1985	1984	1983	1982	1981	1980	1979
Revenues by Source:									
Employee Contributions	$154.2	$149.5	$140.3	$129.2	$119.1	$114.9	$112.1	$103.7	$ 92.7
Employer Contributions	206.0	227.3	193.9	164.4	141.5	127.7	133.0	129.3	103.1
Investment Income	436.0	194.4	278.9	220.2	231.1	184.8	178.9	140.4	76.2
Total Revenues	$796.2	$571.2	$613.1	$513.8	$491.7	$427.4	$424.0	$373.4	$272.0
Expenses by Type:									
Benefits	$241.0	$222.4	$207.2	$197.4	$186.5	$160.7	$133.9	$118.7	$102.2
Administrative Expenses	2.2	2.9	4.4	3.8	2.8	1.0	1.1	0.5	0.4
Refunds	28.8	31.1	31.5	31.5	28.7	28.2	33.5	26.2	24.2
Total Expenses	$272.0	$256.4	$243.1	$232.7	$218.0	$189.9	$168.5	$145.4	$126.8

Notes: Investment earnings reflect dividends, interest, and realized capital gains for the years 1979 through 1986; for 1987, unrealized gains and losses are also reflected.
Data for 1978 was not available.

Source: Washington State Office of the State Actuary.

STATE OF WASHINGTON

Teachers' Retirement System
Analysis of Funding Progress
Fiscal Years 1979 through 1988
(dollars in millions)

	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
Net Assets Available for Benefits	$3,260	$2,979	$2,328	$1,946	$1,686	$1,614	$1,449	$1,268	$1,102	$ 926
Pension Benefit Obligation	$5,349	$4,834	$4,407	$4,029	$3,768	$3,711	$3,561	$3,271	$2,882	$2,590
Percentage Funded	61%	62%	53%	48%	45%	43%	41%	39%	38%	36%
Unfunded Pension Benefit Obligation	$2,089	$1,855	$2,079	$2,083	$2,082	$2,097	$2,112	$2,003	$1,780	$1,664
Annual Covered Payroll	$1,459	$1,364	$1,318	$1,255	$1,178	$1,075	$1,101	$1,062	$ 951	$ 859
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	143%	136%	158%	166%	177%	195%	192%	189%	187%	194%

Note: Net assets available to pay pension benefits were projected to June 30, 1988.

Source: Washington State Office of the State Actuary.

Teachers' Retirement System
Revenues by Source and Expenses by Type
Fiscal Years 1979 through 1987
(dollars in millions)

	1987	1986	1985	1984	1983	1982	1981	1980	1979
Revenues by Source:									
Employee Contributions	$ 90.7	$ 79.7	$ 74.3	$ 71.1	$ 65.6	$ 65.1	$ 62.1	$ 55.8	$ 50.2
Employer Contributions	153.4	155.0	156.6	168.3	179.7	106.8	96.8	125.2	89.5
Investment Income	483.8	196.0	181.9	158.7	135.8	118.2	113.8	76.4	53.4
Total Revenues	$727.9	$430.7	$412.8	$398.1	$381.1	$290.1	$272.7	$257.4	$193.1
Expenses by Type:									
Benefits	$187.5	$174.5	$161.8	$155.9	$179.2	$125.3	$104.7	$ 95.6	$ 78.5
Administrative Expenses	1.5	2.8	2.6	2.2	0.1	0.6	0.4	0.04	0.8
Refunds	5.9	7.3	7.4	7.1	6.4	8.6	6.6	6.6	5.3
Total Expenses	$194.9	$184.6	$171.8	$165.2	$185.7	$134.5	$111.7	$102.2	$ 84.6

Notes: Investment earnings reflect dividends, interest, and realized capital gains from 1979 through 1986; for 1987, unrealized gains and losses are also reflected.
Data for 1988 is not yet available.

Source: Washington State Office of the State Actuary.

Law Enforcement Officers' and Fire Fighters' Retirement System
Analysis of Funding Progress
Calendar Years 1980 through 1987
(dollars in millions)

	1987	1986	1985	1984	1983	1982	1981	1980
Net Assets Available for Benefits	$2,012	$1,590	$1,234	$ 998	$ 923	$ 692	$ 545	$ 469
Pension Benefit Obligation	$2,769	$2,631	$2,424	$2,197	$3,233	$2,952	$2,596	$2,156
Percentage Funded	73%	60%	51%	45%	29%	23%	21%	22%
Unfunded Pension Benefit Obligation	$ 757	$1,041	$1,190	$1,199	$2,310	$2,260	$2,051	$1,687
Annual Covered Payroll	$ 328	$ 314	$ 295	$ 276	$ 256	$ 236	$ 217	$ 189
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	231%	332%	403%	434%	902%	958%	945%	893%

Note: Data for 1978 and 1979 was not available.

Source: Washington State Office of the State Actuary.

Law Enforcement Officers' and Fire Fighters' Retirement System
Revenues by Source and Expenses by Type
Calendar Years 1979 through 1987
(dollars in millions)

	1987	1986	1985	1984	1983	1982	1981	1980	1979
Revenues by Source:									
Employee Contributions	$ 22.3	$ 21.2	$ 19.7	$ 18.3	$ 16.8	$ 15.4	$ 13.9	$ 11.6	$ 10.1
Employer Contributions	117.8	160.0	135.7	146.8	107.9	149.9	53.5	93.0	82.1
Investment Income	146.2	80.0	120.4	81.6	86.4	55.7	53.9	40.4	20.1
Total Revenues	$286.3	$261.2	$275.8	$246.7	$211.1	$221.0	$121.3	$145.0	$112.3
Expenses by Type:									
Benefits	$ 82.4	$ 77.3	$ 72.1	$ 66.9	$ 62.7	$ 54.8	$ 45.7	$ 36.2	$ 29.2
Administrative Expenses	1.0	1.2	1.6	1.1	1.0	0.4	0.3	1.2	0.9
Refunds	1.4	1.4	1.3	1.5	0.9	1.0	1.1	0.8	0.1
Total Expenses	$ 84.8	$ 79.9	$ 75.0	$ 69.5	$ 64.6	$ 56.2	$ 47.1	$ 38.2	$ 30.2

Notes: Investment earnings reflect dividends, interest, and realized capital gains from 1979 through 1986; for 1987, unrealized gains and losses are also reflected.
Data for 1978 was not available.

Source: Washington State Office of the State Actuary.

Washington State Patrol Retirement System
Analysis of Funding Progress
Fiscal Years 1982 through 1988
(dollars in millions)

	1988	1987	1986	1985	1984	1983	1982
Net Assets Available for Benefits	$ 166	$ 155	$ 120	$ 104	$ 91	$ 86	$ 62
Pension Benefit Obligation	$ 176	$ 164	$ 137	$ 128	$ 130	$ 120	$ 90
Percentage Funded	94%	95%	88%	81%	70%	72%	69%
Unfunded Pension Benefit Obligation	$ 10	$ 9	$ 17	$ 24	$ 39	$ 34	$ 28
Annual Covered Payroll	$ 29	$ 28	$ 26	$ 25	$ 24	$ 22	$ 19
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	34%	32%	65%	96%	163%	155%	147%

Notes: Net assets available to pay pension benefits were projected to June 30, 1988.
Data was not available for the years 1979, 1980, and 1981.

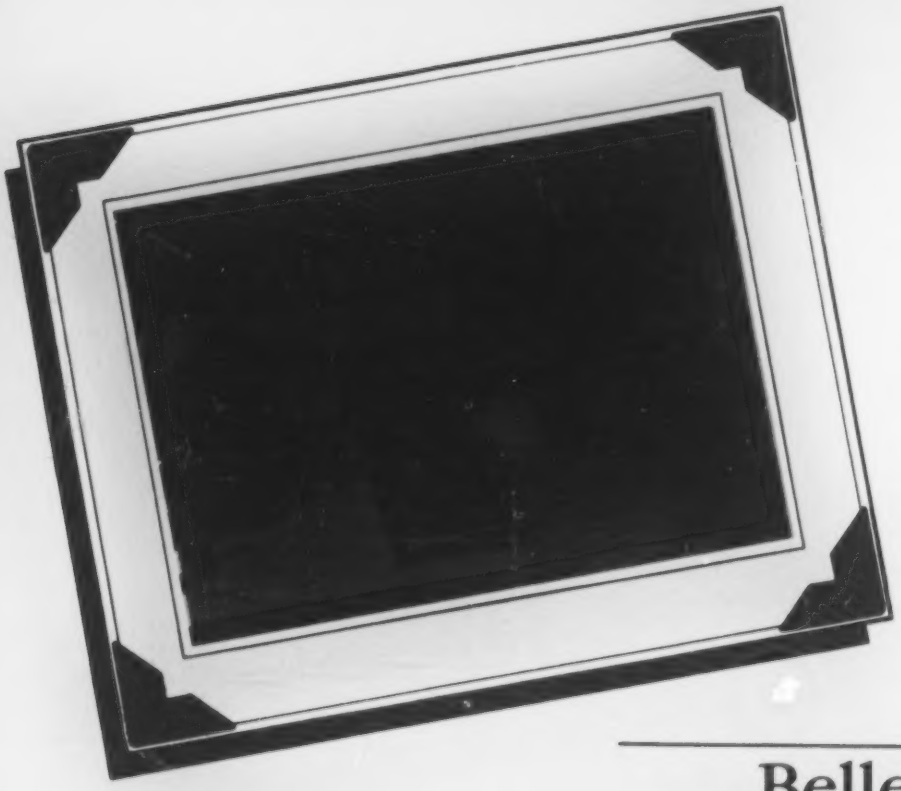
Source: Washington State Office of the State Actuary.

Washington State Patrol Retirement System
Revenues by Source and Expenses by Type
Fiscal Years 1981 through 1987
(dollars in thousands)

	1987	1986	1985	1984	1983	1982	1981
Revenues by Source:							
Employee Contributions	$ 1,986	$ 1,851	$ 2,452	$ 2,048	$ 1,567	N/A	$ 1,359
Employer Contributions	6,224	5,769	5,744	5,669	5,351	N/A	4,497
Investment Income	27,537	12,507	13,731	10,044	11,040	N/A	5,244
Total Revenues	$35,747	$20,127	$21,927	$17,761	$17,958	N/A	$11,100
Expenses by Type:							
Benefits	$ 4,223	$ 3,948	$ 3,723	$ 3,359	$ 2,948	N/A	$ 1,819
Administrative Expenses	77	217	218	217	94	N/A	42
Refunds	26	108	91	14	16	N/A	88
Total Expenses	$ 4,326	$ 4,273	$ 4,032	$ 3,590	$ 3,058	N/A	$ 1,949

Notes: Investment earnings reflect dividends, interest and realized capital gains for periods stated; for 1987, unrealized gains and losses are also reflected.
Data for 1979, 1980, and 1982 was not available because the system was not evaluated on a yearly basis.
Data for 1988 is not yet available.

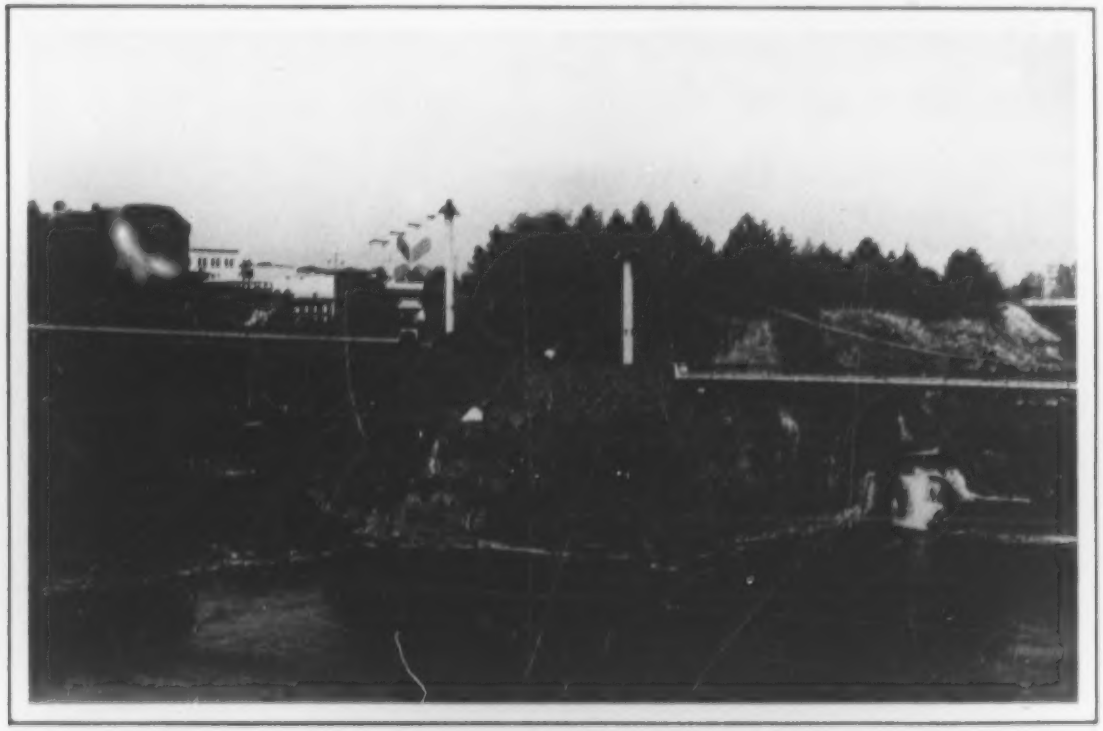
Source: Washington State Office of the State Actuary.



Bellevue

Combining Financial Statements

Spokane



General Fund

The **General Fund** accounts for all financial resources and transactions not accounted for in another fund. The basic portion is nonrestrictive in use, whereas the restricted portion is earmarked for specific purposes.

Schedule of Assets, Liabilities, and Fund Balance
General Fund
June 30, 1988
(expressed in thousands)

	BASIC	RESTRICTED	TOTALS JUNE 30, 1988	TOTALS JUNE 30, 1987
ASSETS:				
Cash and pooled investments	$ 366,060	$ 201,700	$ 567,760	$ 357,684
Investments	.....	983	983	1,040
Taxes receivable (net of allowance)	652,940	2,822	655,762	598,513
Other receivables (net of allowance)	68,547	50,462	119,009	27,844
Due from other funds	67,223	74,942	142,165	142,540
Due from other governments	138,753	24,496	163,249	153,098
Inventories	12,306	836	13,142	10,567
Total Assets	$ 1,305,829	$ 356,241	$ 1,662,070	$ 1,291,286
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts payable	$ 205,428	$ 1,327	$ 206,755	$ 190,611
Contracts and retainages payable	2,165	9,884	12,049	10,918
Accrued liabilities	67,137	1,678	68,815	63,910
Due to other funds	101,370	71,522	172,892	168,862
Due to other governments	13,123	313	13,436	5,647
Deferred revenues	620,781	48,141	668,922	546,622
Total Liabilities	1,010,004	132,865	1,142,869	986,570
FUND BALANCE:				
Reserved for:				
Encumbrances	150,256	5,465	155,721	.....
Inventories	12,306	836	13,142	10,567
Restricted accounts	.....	121,645	121,645	26,025
Other specific purposes	24,821	95,430	120,251	95,192
Unreserved:				
Undesignated	108,442	.....	108,442	172,932
Total Fund Balance	295,825	223,376	519,201	304,716
Total Liabilities and Fund Balance	$ 1,305,829	$ 356,241	$ 1,662,070	$ 1,291,286

STATE OF WASHINGTON

Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

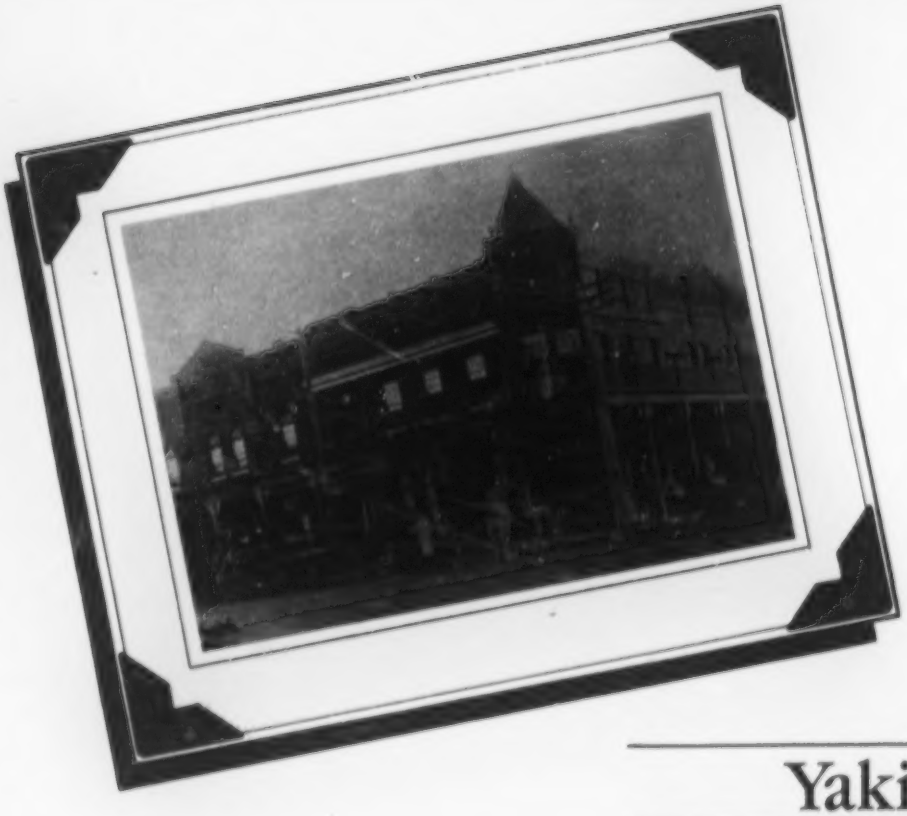
	BASIC	RESTRICTED	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
REVENUES:				
Taxes	$ 5,024,584	$ 73,799	$ 5,098,383	$ 4,770,216
Licenses, permits, and fees	42,516	11,917	54,433	49,526
Federal grants-in-aid	1,283,838	1,284	1,285,122	1,188,858
Charges for services	179,138	215	179,353	155,092
Miscellaneous revenue	56,884	78,426	135,310	156,014
Total Revenues	6,586,960	165,641	6,752,601	6,319,706
EXPENDITURES:				
Current:				
General government	289,067	105,160	394,227	432,282
Human resources	2,467,680	11,031	2,478,711	2,382,306
Natural resources and recreation	142,382	43,128	185,510	182,513
Transportation	19,035	11,425	30,460	27,209
Education	3,255,586	34,499	3,290,085	3,088,333
Capital outlays	54,831	3,849	58,680	73,775
Debt service:				
Principal	7,576	3,090	10,666	5,348
Interest	1,254	199	1,453	1,184
Total Expenditures	6,237,411	212,381	6,449,792	6,192,950
Excess of Revenues Over (Under) Expenditures	349,549	(46,740)	302,809	126,756
OTHER FINANCING SOURCES (USES):				
Operating transfers in	150,000	200,650	350,650	175,714
Operating transfers out	(407,201)	(37,976)	(445,177)	(244,763)
Capital lease acquisitions	6,557	.....	6,557	5,336
Total Other Financing Sources (Uses)	(250,644)	162,674	(87,970)	(63,713)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	98,905	115,934	214,839	63,043
FUND BALANCES:				
Fund balances as restated, July 1	196,920	107,486	304,406	241,641
Fund equity transfers (net)	.....	(44)	(44)	32
Fund Balances, June 30	$ 295,825	$ 223,376	$ 519,201	$ 304,716

STATE OF WASHINGTON

Interim 1987-1989 Biennium Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	BASIC			RESTRICTED		
	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
REVENUES:						
Taxes	$10,334,582	$ 5,024,584	$(5,309,998)	$ 149,878	$ 73,799	$ (76,079)
Licenses, permits, and fees	96,578	42,516	(54,062)	24,861	11,917	(12,944)
Federal grants-in-aid	2,681,283	1,283,838	(1,397,445)	3,508	1,284	(2,224)
Charges for services	372,658	179,138	(193,520)	284	215	(69)
Miscellaneous revenue	103,579	56,884	(46,695)	178,924	78,426	(100,498)
Total Revenues	13,588,680	6,586,960	(7,001,720)	357,455	165,641	(191,814)
EXPENDITURES:						
Current:						
General government	595,664	293,449	302,215	225,197	107,772	117,425
Human resources	5,187,577	2,478,640	2,708,937	23,984	10,755	13,229
Natural resources and recreation	330,764	145,751	185,013	108,211	45,430	62,781
Transportation	48,776	22,440	26,336	26,870	11,549	15,321
Education	6,843,243	3,294,341	3,548,902	69,661	34,503	35,158
Capital outlays	22,405	2,790	19,615	80,224	2,372	77,852
Total Expenditures	13,028,429	6,237,411	6,791,018	534,147	212,381	321,766
Excess of Revenues Over (Under) Expenditures	560,251	349,549	(210,702)	(176,692)	(46,740)	129,952
OTHER FINANCING SOURCES (USES):						
Operating transfers in	278,644	150,000	(128,644)	225,726	200,650	(25,076)
Operating transfers out	(684,194)	(407,201)	276,993	(65,310)	(37,976)	27,334
Capital lease acquisitions	6,557	6,557	.....	.....	.....	.....
Total Other Financing Sources (Uses)	(398,993)	(250,644)	148,349	160,416	162,674	2,258
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ 161,258	$ 98,905	$ (62,353)	$ (16,276)	$ 115,934	$ 132,210

TOTALS		
APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
$10,484,460	$ 5,098,383	$(5,386,077)
121,439	54,433	(67,006)
2,684,791	1,285,122	(1,399,669)
372,942	179,353	(193,589)
282,503	135,310	(147,193)
13,946,135	6,752,601	(7,193,534)
820,861	401,221	419,640
5,211,561	2,489,395	2,722,166
438,975	191,181	247,794
75,646	33,989	41,657
6,912,904	3,328,844	3,584,060
102,629	5,162	97,467
13,562,576	6,449,792	7,112,784
383,559	302,809	(80,750)
504,370	350,650	(153,720)
(749,504)	(445,177)	304,327
6,557	6,557	.....
(238,577)	(87,970)	150,607
$ 144,982	$ 214,839	$ 69,857



Yakima

Washington

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources, other than major capital projects or expendable trust funds, that are legally restricted to expenditures for specified purposes. Washington's Special Revenue Funds are described below:

Motor Vehicle Fund revenues are generated from vehicle fuel taxes, vehicle licenses, and federal transportation agencies. This fund accounts for the following: (1) Highway activities of the Washington State Patrol; and (2) Maintenance of noninterstate highways and bridges, completion and preservation of the interstate system, and other transportation improvements.

Highway Safety Fund revenues are derived principally from motor vehicle operators. This fund accounts for activities relating to drivers' licensing, driver improvement, financial responsibility, and maintenance of driving records.

State Wildlife Fund revenues are generated primarily from hunting and fishing licenses. This fund accounts for the protection, propagation, and conservation of wild animals, wild birds, and game fish.

Common School Construction Fund revenues are obtained principally from the sale of timber and investment earnings. This fund provides financing to local school districts under the control of the State Board of Education for construction of common school facilities.

The **Central Administrative and Regulatory Fund** accounts for operating expenditures of certain administrative and regulatory agencies.

The **Human Resources Fund** accounts for the following: (1) Funds provided to local governments for the construction or substantial remodeling of detention and correctional facilities; and (2) Defraying the cost of administering unemployment compensation.

The **Natural Resources Fund** primarily accounts for the planning, design, acquisition, construction, and improvement of public waste disposal and water supply facilities, and related management systems.

The **Higher Education Fund** primarily accounts for grants and contracts received for research and other educational purposes. This fund also accounts for dedicated revenue for state institutions of higher education.

STATE OF WASHINGTON

Combining Balance Sheet
Special Revenue Funds
June 30, 1988
(expressed in thousands)

	MOTOR VEHICLE	HIGHWAY SAFETY	STATE WILDLIFE	COMMON SCHOOL CONSTRUCT.	CENTRAL ADMIN. & REGULATORY
ASSETS:					
Cash and pooled investments	$ 136,281	$ 10,525	$ 7,044	$ 33,462	$ 30,236
Investments	.....	.....	2,397	.....	380
Taxes receivable (net of allowance)	5,652	.....	.....	.....	51
Other receivables (net of allowance)	68,163	180	879	115,671	301
Due from other funds	85,454	503	1,545	5,233	21,153
Due from other governments	32,313	36	1,539	.....	42
Inventories	14,240	206	153	.....	.....
Total Assets	$ 342,103	$ 11,450	$ 13,557	$ 154,366	$ 52,163
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable	$ 15,445	$ 16	$ 443	$ 1,064	$ 497
Contracts and retainages payable	12,763	115	.....	30,579	2
Accrued liabilities	14,826	1,183	949	.....	1,861
Due to other funds	20,410	410	936	258	2,210
Due to other governments	4,512	70	.....	.....	.....
Deferred revenues	75,069	.....	783	109,702	.....
Total Liabilities	143,025	1,794	3,111	141,603	4,570
FUND BALANCES:					
Reserved for:					
Encumbrances	4,928	533	697	12,763	691
Inventories	14,240	206	153	.....	.....
Other specific purposes	83	.....	2,419	.....	429
Unreserved:					
Designated for other specific purposes	.....	.....	.....	.....	.....
Undesignated	179,827	8,917	7,177	.....	46,473
Total Fund Balances	199,078	9,656	10,446	12,763	47,593
Total Liabilities and Fund Balances	$ 342,103	$ 11,450	$ 13,557	$ 154,366	$ 52,163

HUMAN RESOURCES	NATURAL RESOURCES	HIGHER EDUCATION	TOTALS JUNE 30, 1988	TOTALS JUNE 30, 1987
$ 24,089	$ 162,655	$ 130,377	$ 534,669	$ 510,585
.....	250	4,903	7,930	6,930
.....	2,246	.....	7,949	10,135
24	28,718	22,445	236,381	64,162
9,247	10,386	17,429	150,950	123,775
1,260	12,451	23,570	71,211	84,026
.....	.....	4,511	19,110	17,569
$ 34,620	$ 216,706	$ 203,235	$ 1,028,200	$ 817,182
$ 322	$ 2,021	$ 7,269	$ 27,077	$ 55,237
76	9,263	331	53,129	44,965
2,750	1,246	34,100	56,915	43,077
5,938	2,786	14,510	47,458	53,774
.....	7,047	1,548	13,177	24,314
.....	6,189	20,562	212,305	120,251
9,086	28,552	78,320	410,061	341,618
2,246	187,280	30,948	240,086	16,194
.....	.....	4,511	19,110	17,569
16	874	5,801	9,622	8,020
.....	.....	59,521	59,521	54,754
23,272	.....	24,134	289,800	379,027
25,534	188,154	124,915	618,139	475,564
$ 34,620	$ 216,706	$ 203,235	$ 1,028,200	$ 817,182

STATE OF WASHINGTON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Special Revenue Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	MOTOR VEHICLE	HIGHWAY SAFETY	STATE WILDLIFE	COMMON SCHOOL CONSTRUCTION	CENTRAL ADMIN. & REGULATORY
REVENUES:					
Taxes	$ 466,731	$	$ 122	$	$ 11,370
Licenses, permits, and fees	157,892	14,222	20,220	.....	19,333
Federal grants-in-aid	345,064	2,326	7,170	217	63
Charges for services	802	.....	9	2	13,059
Miscellaneous revenue	32,912	8,553	2,213	84,113	10,613
Total Revenues	1,003,401	25,101	29,734	84,332	54,438
EXPENDITURES:					
Current:					
General government	137,487	.....	20	.....	57,024
Human resources	.....	.....	.....	.....	2,497
Natural resources and recreation	602	.....	24,806	.....	913
Transportation	411,774	21,566	169	.....	3,189
Education	.....	.....	.....	396	69
Capital outlays	375,492	168	2,013	87,612	1,247
Debt service:					
Principal	1,140	35	72		40
Interest	846	13	29		11
Total Expenditures	927,341	21,782	27,109	88,008	64,990
Excess of Revenues Over (Under) Expenditures	76,060	3,319	2,625	(3,676)	(10,552)
OTHER FINANCING SOURCES (USES):					
Bond sale proceeds	80,500	.....	.....	.....	.....
Operating transfers in	74,206	.....	.....	8,058	10,430
Operating transfers out	(180,688)	(284)	(362)	(7,057)	(786)
Capital lease acquisitions	.....	.....	44	.....	.....
Total Other Financing Sources (Uses)	(25,982)	(284)	(318)	1,001	9,644
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	50,078	3,035	2,307	(2,675)	(908)
FUND BALANCES:					
Fund balances as restated, July 1	149,000	6,621	8,139	15,439	48,500
Fund equity transfers (net)	.....	.....	.....	.....	.....
Fund Balances, June 30	$ 199,078	$ 9,656	$ 10,446	$ 12,764	$ 47,592

HUMAN RESOURCES	NATURAL RESOURCES	HIGHER EDUCATION	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
$.....	$ 55,067	$.....	$ 533,290	$ 521,183
6,730	15,157	.....	233,554	209,967
53,375	1,503	251,894	661,612	641,590
652	446	98,350	113,320	112,263
9,358	28,311	95,686	271,759	234,314
70,115	100,484	445,930	1,813,535	1,719,317
66	85	.....	194,682	178,812
64,555	13,610	.....	80,662	91,905
423	93,388	.....	120,132	140,916
.....	529	.....	437,227	450,152
.....	.....	389,686	390,151	381,969
3,533	4,000	28,880	502,945	494,969
7	5	1,803	3,102	2,622
1	1	19	920	745
68,585	111,618	420,388	1,729,821	1,742,090
1,530	(11,134)	25,542	83,714	(22,773)
.....	66,000	.....	146,500	164,400
96	1,962	18,728	113,480	109,033
(1,166)	(1,020)	(26,986)	(218,349)	(200,280)
.....	.....	279	323	904
(1,070)	66,942	(7,979)	41,954	74,057
460	55,808	17,563	125,668	51,284
25,074	132,302	107,209	492,284	424,215
.....	44	143	187	65
$ 25,534	$ 188,154	$ 124,915	$ 618,139	$ 475,564

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Special Revenue Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	MOTOR VEHICLE			HIGHWAY SAFETY		
	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
REVENUES:						
Taxes	$ 1,006,249	$ 466,731	$ (539,518)	$ 28,569	$	$ (28,569)
Licenses, permits, and fees	312,670	157,892	(154,778)	5,199	14,222	9,023
Federal grants-in-aid	832,215	345,064	(487,151)	17,108	2,326	(14,782)
Charges for services	3,488	802	(2,686)			
Miscellaneous revenue	59,647	32,912	(26,735)		8,553	8,553
Total Revenues	2,214,269	1,003,401	(1,210,868)	50,876	25,101	(25,775)
EXPENDITURES:						
Current:						
General government	271,242	137,494	133,748			
Human resources						
Natural resources and recreation	1,532	599	933			
Transportation	611,414	266,265	345,149	47,601	21,782	25,819
Education						
Capital outlays	1,211,769	522,983	688,786			
Total Expenditures	2,095,957	927,341	1,168,616	47,601	21,782	25,819
Excess of Revenues Over (Under) Expenditures	118,312	76,060	(42,252)	3,275	3,319	44
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	237,000	80,500	(156,500)			
Operating transfers in	45,261	74,206	28,945			
Operating transfers out	(272,381)	(180,688)	91,693	(1,443)	(284)	1,159
Capital lease acquisitions						
Total Other Financing Sources (Uses)	9,880	(25,982)	(35,862)	(1,443)	(284)	1,159
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ 128,192	$ 50,078	$ (78,114)	$ 1,832	$ 3,035	$ 1,203

Continued

STATE WILDLIFE			COMMON SCHOOL CONSTRUCTION			CENTRAL ADMINISTRATIVE AND REGULATORY		
APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
$ 96	$ 122	$ 26	$.....	$.....	$.....	$ 22,428	$ 11,370	$ (11,058)
38,507	20,220	(18,287)	.....	.....	.....	39,448	19,333	(20,115)
28,530	7,170	(21,360)	840	217	(623)	426	63	(363)
.....	9	9	.....	2	2	29,329	13,059	(16,270)
3,491	2,213	(1,278)	188,018	84,113	(103,905)	20,796	10,613	(10,183)
70,624	29,734	(40,890)	188,858	84,332	(104,526)	112,427	54,438	(57,989)
20	20	.....	.....	.....	.....	115,388	58,320	57,068
.....	.....	.....	.....	.....	.....	10,691	2,497	8,194
55,133	25,827	29,306	.....	.....	.....	4,520	913	3,607
401	169	232	.....	.....	.....	14,930	3,191	11,739
.....	.....	.....	.....	.....	.....	707	69	638
17,467	1,093	16,374	256,003	88,008	167,995	.....	.....	.....
73,021	27,109	45,912	256,003	88,008	167,995	146,236	64,990	81,246
(2,397)	2,625	5,022	(67,145)	(3,676)	63,469	(33,809)	(10,552)	23,257
.....	.....	.....	30,000	.....	(30,000)	.....	.....	.....
.....	.....	.....	16,116	8,058	(8,058)	41,200	10,430	(30,770)
(1,661)	(362)	1,299	(15,073)	(7,057)	8,016	(6,856)	(786)	6,070
44	44	.....	.....	.....	.....	.....	.....	.....
(1,617)	(318)	1,299	31,043	1,001	(30,042)	34,344	9,644	(24,700)
$ (4,014)	$ 2,307	$ 6,321	$ (36,102)	$ (2,675)	$ 33,427	$ 535	$ (908)	$ (1,443)

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Special Revenue Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	HUMAN RESOURCES			NATURAL RESOURCES		
	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
REVENUES:						
Taxes	$ 14,710	$	$ (14,710)	$ 134,984	$ 55,067	$ (79,917)
Licenses, permits, and fees	124,189	6,730	(117,459)	35,221	15,157	(20,064)
Federal grants-in-aid	500	53,375	52,875	1,711	1,503	(208)
Charges for services	12,127	652	(11,475)	106	446	340
Miscellaneous revenue		9,358	9,358	36,590	28,311	(8,279)
Total Revenues	151,526	70,115	(81,411)	208,612	100,484	(108,128)
EXPENDITURES:						
Current:						
General government	32	23	9	277	85	192
Human resources	150,328	65,994	84,334	1,094	3,021	(1,927)
Natural resources and recreation	911	423	488	117,927	35,367	82,560
Transportation				847	485	362
Education						
Capital outlays	2,865	2,145	720	440,721	72,660	368,061
Total Expenditures	154,136	68,585	85,551	560,866	111,618	449,248
Excess of Revenues Over (Under) Expenditures	(2,610)	1,530	4,140	(352,254)	(11,134)	341,120
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds				354,130	66,000	(288,130)
Operating transfers in		96	96	6,660	1,962	(4,698)
Operating transfers out	(4,202)	(1,166)	3,036	(249)	(1,020)	(771)
Capital lease acquisitions						
Total Other Financing Sources (Uses)	(4,202)	(1,070)	3,132	360,541	66,942	(293,599)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (6,812)	$ 460	$ 7,272	$ 8,287	$ 55,808	$ 47,521

HIGHER EDUCATION			TOTALS		
APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
$.....	$.....	$.....	$ 1,207,036	$ 533,290	$ (673,746)
.....	.....	.....	555,234	233,554	(321,680)
517,253	251,894	(265,359)	1,398,583	661,612	(736,971)
178,220	98,350	(79,870)	223,270	113,320	(109,950)
180,236	95,686	(84,550)	488,778	271,759	(217,019)
875,709	445,930	(429,779)	3,872,901	1,813,535	(2,059,366)
.....	.....	.....	386,959	195,942	191,017
.....	.....	.....	162,113	71,512	90,601
.....	.....	.....	180,023	63,129	116,894
.....	.....	.....	675,193	291,892	383,301
876,008	417,747	458,261	876,715	417,816	458,899
6,000	2,641	3,359	1,934,825	689,530	1,245,295
882,008	420,388	461,620	4,215,828	1,729,821	2,486,007
(6,299)	25,542	31,841	(342,927)	83,714	426,641
.....	.....	.....	621,130	146,500	(474,630)
18,493	18,728	235	127,730	113,480	(14,250)
(17,226)	(26,986)	(9,760)	(319,091)	(218,349)	100,742
279	279	.....	323	323	.....
1,546	(7,979)	(9,525)	430,092	41,954	(388,138)
$ (4,753)	$ 17,563	$ 22,316	$ 87,165	$ 125,668	$ 38,503

Winthrop

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A brief description of each Debt Service Fund follows:

The **General Obligation Bond Fund** is used for the accumulation of resources for, and the payment of, general obligation long-term debt principal and interest.

Transportation Bond Fund revenue is derived principally from the motor vehicle fuel tax. This fund accounts for the accumulation of resources and payment of highway and ferry bond principal and interest.

Combining Balance Sheet
Debt Service Funds
June 30, 1988
(expressed in thousands)

	GENERAL OBLIGATION BOND	TRANSPORTATION BOND	TOTALS JUNE 30, 1988	TOTALS JUNE 30, 1987
ASSETS:				
Cash and pooled investments	$ 39,171	$ 46,358	$ 85,529	$ 57,071
Investments	.....	.....	.....	7,006
Other receivables (net of allowance)	570	.....	570	531
Due from other funds	5,497	1,866	7,363	6,057
Total Assets	$ 45,238	$ 48,224	$ 93,462	$ 70,665
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Contracts and retainages payable	$ 1,372	$	$ 1,372	$ 1,532
Accrued liabilities	5	1	6	597
Due to other funds	6,641	.....	6,641	272
Total Liabilities	8,018	1	8,019	2,401
FUND BALANCES:				
Unreserved:				
Designated for debt service	37,220	48,223	85,443	68,264
Total Fund Balances	37,220	48,223	85,443	68,264
Total Liabilities and Fund Balances	$ 45,238	$ 48,224	$ 93,462	$ 70,665

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Debt Service Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	GENERAL OBLIGATION BOND	TRANSPORTATION BOND	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
REVENUES:				
Federal grants-in-aid	$ 164	$	$ 164	$ 164
Miscellaneous revenue	8,246	1,875	10,121	19,689
Total Revenues	8,410	1,875	10,285	19,853
EXPENDITURES:				
Debt service:				
Principal	78,114	34,015	112,129	103,531
Interest	159,934	55,603	215,537	197,452
Total Expenditures	238,048	89,618	327,666	300,983
Excess of Revenues Over (Under) Expenditures	(229,638)	(87,743)	(317,381)	(281,130)
OTHER FINANCING SOURCES (USES):				
Proceeds of refunding bonds				170,631
Payment to refunded bond escrow agent				(170,340)
Operating transfers in	271,590	98,811	370,401	298,523
Operating transfers out	(35,811)		(35,811)	(13,900)
Total Other Financing Sources (Uses)	235,779	98,811	334,590	284,914
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	6,141	11,068	17,209	3,784
FUND BALANCES:				
Fund balances as restated, July 1	31,079	37,155	68,234	64,512
Fund equity transfers (net)				(32)
Fund Balances, June 30	$ 37,220	$ 48,223	$ 85,443	$ 68,264

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Debt Service Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	GENERAL OBLIGATION BOND			TRANSPORTATION BOND		
	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
REVENUES:						
Federal grants-in-aid	$	$ 164	$ 164	$	$	$
Miscellaneous revenue	45,859	8,246	(37,613)	3,080	1,875	(1,205)
Total Revenues	45,859	8,410	(37,449)	3,080	1,875	(1,205)
EXPENDITURES:						
Debt service	504,418	238,048	266,370	186,040	89,618	96,422
Total Expenditures	504,418	238,048	266,370	186,040	89,618	96,422
Excess of Revenues Over (Under) Expenditures	(458,559)	(229,638)	228,921	(182,960)	(87,743)	95,217
OTHER FINANCING SOURCES (USES):						
Operating transfers in	497,646	271,590	(226,056)	203,168	98,811	(104,357)
Operating transfers out	(31,712)	(35,811)	(4,099)			
Total Other Financing Sources (Uses)	465,934	235,779	(230,155)	203,168	98,811	(104,357)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ 7,375	$ 6,141	$ (1,234)	$ 20,208	$ 11,068	$ (9,140)

TOTALS		
APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
$.....	$ 164	$ 164
48,939	10,121	(38,818)
48,939	10,285	(38,654)
690,458	327,666	362,792
690,458	327,666	362,792
(641,519)	(317,381)	324,138
700,814	370,401	(330,413)
(31,712)	(35,811)	(4,099)
669,102	334,590	(334,512)
$ 27,583	$ 17,209	$ (10,374)

MUKILTEO
DEEP WATER
HARBOR

Mukilteo

GLEN LARSEN
RETURNS
OCT. 19-30
SINGING
THE OLDIES
VIEW
DINING
TAYLORS
LANDING

Capital Projects Funds

Capital Projects Funds account for financial resources to be used for acquisition, construction, or improvement of major capital facilities (other than those financed by Proprietary Funds and similar trust funds). A brief description of Washington's Capital Projects Funds follows:

The **State Facilities Fund** accounts for the construction and remodeling of public buildings.

The **Health Services Facilities Fund** accounts for the construction, remodeling, and equipping of social and health services facilities.

The **Natural Resources Construction Fund** accounts for the acquisition, construction, and remodeling of salmon hatcheries and other fisheries facilities.

The **Higher Education Construction Fund** accounts for the acquisition, construction, and remodeling of higher education facilities.

STATE OF WASHINGTON

Combining Balance Sheet
Capital Projects Funds
June 30, 1988
(expressed in thousands)

	STATE FACILITIES	HEALTH SERVICES FACILITIES	NATURAL RESOURCES CONSTRUCT.	HIGHER EDUCATION CONSTRUCT.	TOTALS JUNE 30, 1988	TOTALS JUNE 30, 1987
ASSETS:						
Cash and pooled investments	$ 1,003	$ 3,291	$ 14,802	$ 13,096	$ 32,192	$ 87,867
Investments	.....	.....	.....	169	169	2,527
Other receivables (net of allowance)	6,903	29	74,808	29,657	111,397	1,150
Due from other funds	319	70	179	7,367	7,935	8,315
Due from other governments	.....	.....	340	.....	340	800
Total Assets	$ 8,225	$ 3,390	$ 90,129	$ 50,289	$ 152,033	$ 100,659
LIABILITIES AND FUND BALANCES:						
LIABILITIES:						
Accounts payable	$ 223	$ 413	$ 3,218	$ 3,090	$ $6,944	$ $10,672
Contracts and retainages payable	349	1,536	2,652	2,173	6,710	5,306
Accrued liabilities	2	24	133	116	275	67
Due to other funds	100	76	2,668	8,987	11,831	26,354
Due to other governments	.....	.....	83	.....	83	88
Deferred revenues	.....	.....	862	.....	862	643
Total Liabilities	674	2,049	9,616	14,366	26,705	43,130
FUND BALANCES:						
Reserved for:						
Encumbrances	5,804	1,315	40,518	35,754	83,391	14,104
Other specific purposes	.....	26	.....	169	195	2526
Unreserved:						
Designated for other specific purposes	1,747	.....	39,995	.....	41,742	40,899
Total Fund Balances	7,551	1,341	80,513	35,923	125,328	57,529
Total Liabilities and Fund Balances	$ 8,225	$ 3,390	$ 90,129	$ 50,289	$ 152,033	$ 100,659

STATE OF WASHINGTON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Capital Projects Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	STATE FACILITIES	HEALTH SERVICES FACILITIES	NATURAL RESOURCES CONSTRUCT.	HIGHER EDUCATION CONSTRUCT.	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
REVENUES:						
Federal grants-in-aid	$	$	$	$	$	$ 578
Charges for services				14,699	14,699	15,180
Miscellaneous revenue	1,721		3,614	2,188	7,523	6,670
Total Revenues	1,721		3,614	16,887	22,222	22,428
EXPENDITURES:						
Current:						
General government	21	11	771	33	836	7
Human resources		966	6,074		7,040	4,683
Natural resources and recreation			21,227		21,227	5,411
Transportation	80		327		407	121
Education	816		4,070	5,635	10,521	13,502
Capital outlays	14,164	16,960	54,482	58,281	143,887	119,499
Debt service:						
Principal		1	1	305	307	8
Interest		3		92	95	456
Total Expenditures	15,081	17,941	86,952	64,346	184,320	143,687
Excess of Revenues Over (Under) Expenditures	(13,360)	(17,941)	(83,338)	(47,459)	(162,098)	(121,259)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	15,000	10,000	143,050	56,000	224,050	116,860
Operating transfers in			35	31,578	31,613	59,067
Operating transfers out	(305)	(1)	(596)	(24,863)	(25,765)	(47,265)
Capital lease acquisitions						90
Total Other Financing Sources (Uses)	14,695	9,999	142,489	62,715	229,898	128,752
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,335	(7,942)	59,151	15,256	67,800	7,493
FUND BALANCES:						
Fund balances as restated, July 1	6,215	9,283	21,362	20,669	57,529	50,036
Fund equity transfers (net)				(1)	(1)	
Fund Balances, June 30	$ 7,550	$ 1,341	$ 80,513	$ 35,924	$ 125,328	$ 57,529

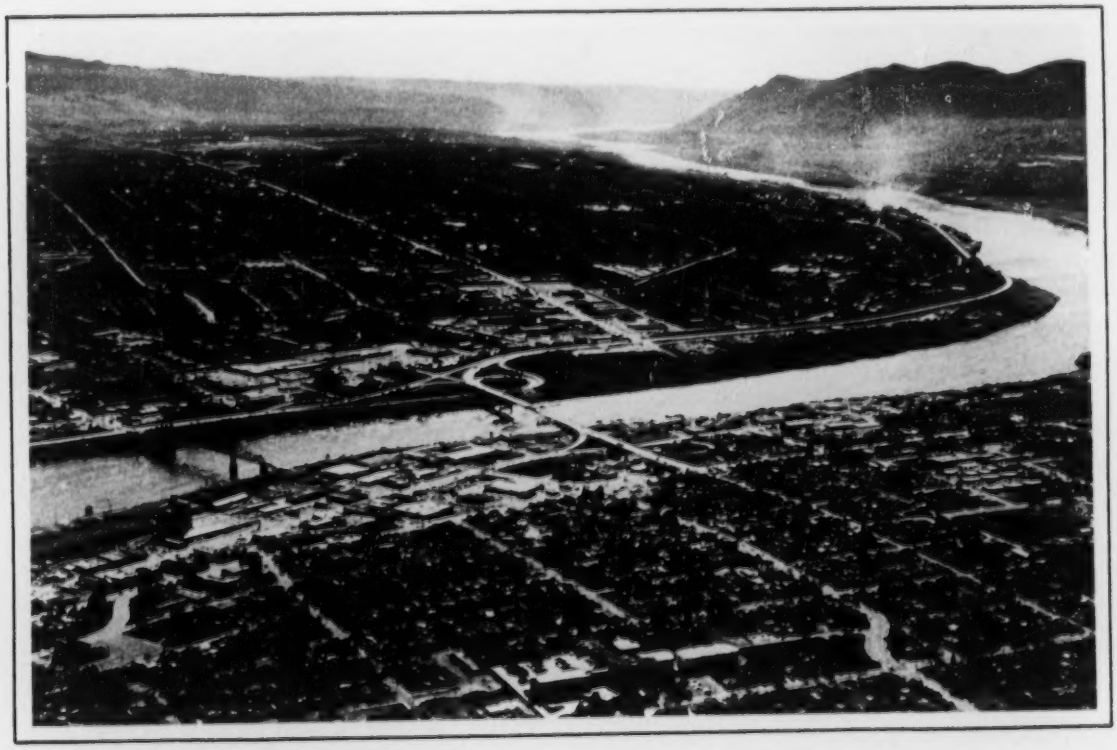
STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget and Actual
Capital Projects Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	STATE FACILITIES			HEALTH SERVICES FACILITIES		
	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
REVENUES:						
Federal grants-in-aid	$	$	$	$	$	$
Charges for services						
Miscellaneous revenue	3,337	1,721	(1,616)			
Total Revenues	3,337	1,721	(1,616)			
EXPENDITURES:						
Current:						
General government	34	10	24	36	11	25
Capital outlays	23,823	15,071	8,752	11,757	17,930	(6,173)
Total Expenditures	23,857	15,081	8,776	11,793	17,941	(6,148)
Excess of Revenues Over (Under) Expenditures	(20,520)	(13,360)	7,160	(11,793)	(17,941)	(6,148)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	22,900	15,000	(7,900)	31,600	10,000	(21,600)
Operating transfers in						
Operating transfers out	(573)	(305)	268		(1)	(1)
Total Other Financing Sources (Uses)	22,327	14,695	(7,632)	31,600	9,999	(21,601)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ 1,807	$ 1,335	$ (472)	$ 19,807	$ (7,942)	$ (27,749)

NATURAL RESOURCES CONSTRUCTION			HIGHER EDUCATION CONSTRUCTION			TOTALS		
APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88	APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THRU 6-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THRU 6-30-88
$.....	$.....	$.....	$.....	$.....	$.....	$.....	$.....	$.....
.....	.....	.....	29,313	14,699	(14,614)	29,313	14,699	(14,614)
8,804	3,614	(5,190)	2,154	2,188	34	14,295	7,523	(6,772)
8,804	3,614	(5,190)	31,467	16,887	(14,580)	43,608	22,222	(21,386)
608	192	416	121	33	88	799	246	553
392,090	86,760	305,330	167,050	64,313	102,737	594,720	184,074	410,646
392,698	86,952	305,746	167,171	64,346	102,825	595,519	184,320	411,199
(383,894)	(83,338)	300,556	(135,704)	(47,459)	88,245	(551,911)	(162,098)	389,813
388,000	143,050	(244,950)	90,200	56,000	(34,200)	532,700	224,050	(308,650)
.....	35	35	52,267	31,578	(20,689)	52,267	31,613	(20,654)
(1,088)	(596)	492	(47,652)	(24,863)	22,789	(49,313)	(25,765)	23,548
386,912	142,489	(244,423)	94,815	62,715	(32,100)	535,654	229,898	(305,756)
$ 3,018	$ 59,151	$ 56,133	$ (40,889)	$ 15,256	$ 56,145	$ (16,257)	$ 67,800	$ 84,057

Wenatchee



Enterprise Funds

Enterprise Funds account for the following: (1) State operations that are financed and operated in a manner similar to private business enterprises where the state's intent is that the cost of providing goods and/or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) State operations where a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. A brief description of each Enterprise Fund follows:

The **Liquor Fund** is used to account for the operation of state liquor stores and warehouses, administrative costs, and distribution of net proceeds.

The **Workers' Compensation Fund** is used to account for the workers' compensation program which provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work related injuries.

The **Convention and Trade Fund** is used to account for the acquisition, design, construction, promotion, and operation of the State Convention and Trade Center.

The **Lottery Fund** is used to account for lottery ticket revenues, administrative and operating expenses of the Lottery Commission, and the distribution of revenue to the General Fund.

The **Institutional Fund** accounts for the enterprise activities (industries) carried out through vocational/education programs at the correctional institutions.

The **State Ferry and Toll Fund** is used to account for all revenue and payment of all operating costs of the state ferry system, to allocate financial resources to certain accounts required to be maintained by bond resolution or statute, and to account for the revenues, maintenance, and operations of the Spokane River Toll Bridge.

The **Student Services Fund** is used by colleges and universities principally for bookstore, cafeteria, parking, student housing, and food service business enterprise activities.

The **Other Activities Fund** accounts for the following: (1) The operation of computer systems for legislative information and a statewide library network; and (2) The production and sale of statute law publications and official reports.

STATE OF WASHINGTON

Combining Balance Sheet
Enterprise Funds
June 30, 1988
(expressed in thousands)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL
ASSETS:					
CURRENT ASSETS:					
Cash and pooled investments	$ 6,457	$ 4,375	$ 2,156	$ 23,453	$ 646
Taxes receivable (net of allowance)	2,089	.....	.....	.....	.....
Other receivables (net of allowance)	221	237,562	24,662	3,888	58
Due from other funds	571	3,028	26,070	3,749	934
Due from other governments	37	206	.....	.....	179
Inventories	40,718	255	.....	249	3,091
Prepaid expenses	10	.....	177	3	3
Total Current Assets	50,103	245,426	53,065	31,342	4,911
OTHER ASSETS:					
Investments, noncurrent	.....	3,072,107	.....	81,502	.....
Other nonfixed assets	.....	.....	2,200	.....	.....
Total Other Assets	.....	3,072,107	2,200	81,502	.....
FIXED ASSETS:					
Land	178	297	6,784	.....	.....
Buildings	1,747	3,099	.....	.....	574
Other improvements and miscellaneous	245	81	.....	316	596
Furnishings and equipment	9,290	18,972	3,226	1,929	2,761
Accumulated depreciation	(7,984)	(6,998)	(187)	(1,227)	(2,141)
Construction in progress	.....	.....	157,070	.....	79
Total Fixed Assets	3,476	15,451	166,893	1,018	1,869
Total Assets	$ 53,579	$ 3,332,984	$ 222,158	$ 113,862	$ 6,780
LIABILITIES AND FUND EQUITY:					
CURRENT LIABILITIES:					
Accounts payable	$ 13,117	$ 6,729	$ 1,823	$ 1,696	$ 1,458
Contracts and retainages payable	.....	25,122	548	.....	26
Accrued liabilities	2,931	6,791	4,343	20,127	280
Matured bonds payable	.....	.....	.....	.....	.....
Due to other funds	6,783	3,508	30,143	9,454	325
Due to other governments	.....	.....	.....	.....	77
Deferred revenues	3,885	.....	.....	.....	.....
Current workers' comp benefits payable	.....	435,424	.....	.....	.....
Total Current Liabilities	26,716	477,574	36,857	31,277	2,166
LONG-TERM LIABILITIES:					
Long-term workers' comp benefits payable	.....	2,721,101	.....	.....	.....
Bonds payable	.....	.....	128,765	.....	.....
Other long-term obligations	.....	1,089	708	81,502	48
Total Long-Term Liabilities	.....	2,722,190	129,473	81,502	48
Total Liabilities	26,716	3,199,764	166,330	112,779	2,214
FUND EQUITY:					
Unrealized gain on investments	.....	945	.....	.....	.....
Contributed capital	.....	23	.....	.....	2,970
Retained earnings:					
Reserved	.....	.....	.....	.....	.....
Unreserved	26,863	132,252	55,828	1,083	1,596
Total Fund Equity	26,863	133,220	55,828	1,083	4,566
Total Liabilities and Fund Equity	$ 53,579	$ 3,332,984	$ 222,158	$ 113,862	$ 6,780

STATE FERRY AND TOLL	STUDENT SERVICES	OTHER ACTIVITIES	TOTALS JUNE 30, 1988	TOTALS JUNE 30, 1987
$ 24,671	$ 75,700	$ 4,325	$ 141,783	$ 123,701
.....	.....	.....	2,089	2,113
1,249	21,369	286	289,295	276,800
693	3,607	352	39,004	30,646
.....	12,106	388	12,916	1,826
4,549	11,734	217	60,813	60,427
186	1,511	11	1,901	1,611
31,348	126,027	5,579	547,801	497,124
.....	17,797	170	3,171,576	2,864,970
19	222	.....	2,441	7,427
19	18,019	170	3,174,017	2,872,397
6,877	768	.....	14,904	13,854
64,793	399,565	2	469,780	439,428
127,530	9,114	.....	137,882	150,144
254,327	67,860	4,157	362,522	317,280
(88,137)	(153,977)	(2,370)	(263,021)	(238,589)
496	27,865	.....	185,510	144,721
365,886	351,195	1,789	907,577	826,838
$ 397,253	$ 495,241	$ 7,538	$ 4,629,395	$ 4,196,359
$ 2,375	$ 7,310	$ 33	$ 34,541	$ 26,158
1,135	2,845	178	29,854	34,738
6,878	14,347	376	56,073	46,095
1,425	6,697	.....	8,122	7,630
61,748	1,171	177	113,309	67,468
1	4,124	.....	4,202	7
3	11,318	168	15,374	17,069
.....	.....	.....	435,424	399,457
73,565	47,812	932	696,899	598,622
.....	.....	.....	2,721,101	2,358,471
20,190	164,909	.....	313,864	291,421
.....	14,888	.....	98,235	64,410
20,190	179,797	.....	3,133,200	2,714,302
93,755	227,609	932	3,830,099	3,312,924
.....	.....	.....	945	59,798
410,061	8,230	581	421,865	385,291
.....	5,492	.....	5,492	8,698
(106,563)	253,910	6,025	370,994	429,648
303,498	267,632	6,606	799,296	883,435
$ 397,253	$ 495,241	$ 7,538	$ 4,629,395	$ 4,196,359

STATE OF WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Enterprise Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL
OPERATING REVENUES:					
Sales	$ 220,419	$	$	$	$ 12,804
Less: Cost of goods sold	155,449				10,705
Gross profit (loss)	64,970				2,189
Charges for services		29			
Workers' compensation contributions		606,234			
Lottery ticket proceeds				214,048	
Miscellaneous revenue	29,782	11,164	6,967		1,033
Total Operating Revenues	94,752	617,427	6,967	214,048	3,222
OPERATING EXPENSES:					
Salaries and wages	24,977	45,775	955	3,315	2,137
Personal services	1	5,056	813	11,973	
Goods and services	10,736	21,362	480	14,031	333
Travel	187	1,944	15	368	32
Employee benefits	5,112	10,541	142	759	441
Workers' compensation benefits		867,958			
Lottery prize payments				102,597	
Depreciation and amortization	948	1,951	137	328	97
Miscellaneous expenses	829	6,314	86	72	73
Total Operating Expenses	42,790	960,901	2,628	133,443	3,113
Operating Income (Loss)	51,962	(343,474)	4,339	80,605	109
NONOPERATING REVENUES (EXPENSES):					
Other revenue (expenses)	12	52		7	
Interest income	560	276,733	64	450	1
Interest expense		(33)	(134)		(7)
Liquor profits distributed to local governments	(21,870)				
Total Nonoperating Revenues (Expenses)	(21,298)	276,752	(70)	457	(6)
Income (Loss) Before Operating Transfers	30,664	(66,722)	4,269	81,062	103
OPERATING TRANSFERS:					
Operating transfers in	64,493	72,060	13,884	51,735	1,021
Operating transfers out	(93,067)	(66,590)	(13,884)	(134,570)	(1,287)
Net operating transfers in (out)	(28,574)	5,470		(82,835)	(266)
NET INCOME (LOSS)	2,090	(61,252)	4,269	(1,773)	(163)
FUND EQUITY:					
Fund equity as restated, July 1	24,773	245,918	51,559	2,856	4,727
Fund equity transfers (net)					
Unrealized gain (loss) on investments		(51,446)			
Contributions of capital					2
Fund Equity, June 30	$ 26,863	$ 133,220	$ 55,828	$ 1,083	$ 4,566

STATE FERRY AND TOLL	STUDENT SERVICES	OTHER ACTIVITIES	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
$.....	$ 43,820	$ 34	$ 277,167	$ 272,548
.....	29,360	38	195,552	191,970
.....	14,460	(4)	81,615	80,578
56,083	228,693	6,596	291,401	275,251
.....	.....	.....	606,234	507,320
.....	.....	.....	214,048	193,937
17,098	40,452	1,485	107,981	124,664
73,181	283,605	8,077	1,301,279	1,181,750
42,857	108,641	2,619	231,276	213,855
146	2,177	229	20,395	15,390
23,252	107,583	3,673	181,450	174,294
563	4,899	125	8,133	7,387
8,027	20,500	564	46,086	48,238
.....	.....	.....	867,958	529,637
.....	.....	.....	102,597	88,016
11,037	15,624	869	30,991	27,294
357	4,222	56	12,009	30,827
86,239	263,646	8,135	1,500,895	1,134,938
(13,058)	19,959	(58)	(199,616)	46,812
85	(284)	.....	(128)	(252)
844	6,285	278	285,215	304,010
(859)	(11,933)	(15)	(12,981)	(12,213)
.....	.....	.....	(21,870)	(22,400)
70	(5,932)	263	250,236	269,145
(12,988)	14,027	205	50,620	315,957
75,329	39,905	3,374	321,801	496,639
(75,329)	(39,172)	(86)	(423,985)	(600,903)
.....	733	3,288	(102,184)	(104,264)
(12,988)	14,760	3,493	(51,564)	211,693
280,141	253,100	3,113	866,187	737,274
.....	(455)	.....	(455)	(50)
.....	.....	.....	(51,446)	(123,377)
36,345	227	.....	36,574	57,895
$ 303,498	$ 267,632	$ 6,606	$ 799,296	$ 883,435

STATE OF WASHINGTON

Combining Statement of Changes in Financial Position
Enterprise Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL
SOURCES OF WORKING CAPITAL:					
OPERATIONS:					
Net income (loss)	$ 2,090	$ (61,252)	$ 4,269	$ (1,773)	$ (163)
Items not requiring working capital in the current period:					
Depreciation and amortization	948	1,951	137	328	97
Amortization of premiums/discounts on investments	.....	18,361	.....	.....	.....
Working Capital Provided by Operations Before Changes	3,038	(40,940)	4,406	(1,445)	(66)
Prior period adjustments	.....	.....	.....	.....	.....
Fund reclassifications	.....	.....	.....	.....	.....
Working Capital Provided by Operations and Changes	3,038	(40,940)	4,406	(1,445)	(66)
OTHER SOURCES:					
Sales of noncurrent investments	.....	3,336,800	.....	32,289	.....
Disposal of fixed assets	140	111	37,139	95	569
Disposal of other nonfixed assets	.....	.....	5,088	.....	.....
Increase in long-term workers' comp	.....	362,630	.....	.....	.....
Proceeds from sale of bonds payable	.....	.....	29,765	.....	.....
Proceeds from other long-term oblig	.....	36	3,437	39,561	95
Unrealized gain on investments	.....	.....	.....	.....	.....
Contributions of capital	.....	.....	.....	.....	2
Fund equity transfers in	.....	.....	.....	.....	1,133
Total Sources of Working Capital	3,178	3,658,637	79,835	70,500	1,733
USES OF WORKING CAPITAL:					
Purchases of noncurrent investments	.....	3,632,289	.....	62,436	.....
Acquisitions of fixed assets	729	2,703	75,377	416	1,225
Acquisitions of other nonfixed assets	.....	.....	10	.....	.....
Retirement of long-term bonds payable	.....	.....	.....	.....	.....
Repayment of other long-term oblig	.....	491	5,832	5,904	60
Unrealized loss on investments	.....	51,446	.....	.....	.....
Fund equity transfers out	.....	.....	.....	.....	1,133
Total Uses of Working Capital	729	3,686,929	81,219	68,756	2,418
Net Increase (Decrease) in Working Capital	$ 2,449	$ (28,292)	$ (1,384)	$ 1,744	$ (685)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash and pooled investments	$ 2,090	$ (6,223)	$ (1,055)	$ 12,175	$ (154)
Receivables (net of allowance)	72	17,066	2,722	(1,560)	(37)
Due from other funds	(236)	(40)	24,149	3,269	41
Due from other governments	(67)	206	.....	.....	114
Inventories	(7)	7	.....	(113)	620
Prepaid expenses	.....	(1)	179	(56)	(1)
Accounts payable	(969)	(4,876)	2,955	(1,607)	(901)
Contracts and retainages payable	100	2,622	611	1	(26)
Accrued liabilities	9	(1,519)	(806)	(6,017)	(39)
Matured bonds payable	.....	.....	.....	.....	.....
Due to other funds	(438)	426	(30,139)	(4,348)	(229)
Due to other governments	.....	7	.....	.....	(76)
Deferred revenue	1,895	.....	.....	.....	3
Current workers' compensation benefits payable	.....	(35,967)	.....	.....	.....
Net Increase (Decrease) in Working Capital	$ 2,449	$ (28,292)	$ (1,384)	$ 1,744	$ (685)

NATURAL RESOURCES (ABOLISHED)	STATE FERRY AND TOLL	STUDENT SERVICES	OTHER ACTIVITIES	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
$.....	$ (12,988)	$ 14,760	$ 3,493	$ (51,564)	$ 211,693
.....	11,037	15,624	869	30,991	27,294
.....	.....	4	.....	18,365	(69)
.....	(1,951)	30,388	4,362	(2,208)	238,918
.....	.....	.....	.....	.....	3,379
(16,517)	.....	.....	(731)	(17,248)	(7,960)
(16,517)	(1,951)	30,388	3,631	(19,456)	234,337
.....	2,855	3,956	.....	3,375,900	8,127
568	340	6,318	509	45,789	63,153
.....	.....	468	.....	5,556	1,149
.....	.....	.....	.....	362,630	318,655
.....	.....	800	.....	30,565	10,376
.....	.....	7,212	.....	50,341	38,015
.....	.....	.....	.....	.....	.....
.....	36,345	227	.....	36,574	57,895
.....	319	1,581	.....	3,033	.....
(15,949)	37,908	50,950	4,140	3,890,932	731,707
.....	2,855	3,291	.....	3,700,871	217,644
.....	37,500	37,812	1,755	157,517	234,514
.....	.....	560	.....	570	625
.....	1,425	6,697	.....	8,122	8,828
.....	.....	3,739	490	16,516	156,389
.....	.....	.....	.....	51,446	123,377
.....	319	2,036	.....	3,488	50
.....	42,099	54,135	2,245	3,938,530	741,427
$ (15,949)	$ (4,191)	$ (3,185)	$ 1,895	$ (47,598)	$ (9,720)
$ (15,333)	$ 16,323	$ 9,167	$ 1,092	$ 18,082	$ (40,567)
(8)	96	(6,096)	216	12,471	(17,874)
(854)	(3,399)	(14,726)	154	8,358	(5,990)
.....	.....	10,449	388	11,090	(828)
.....	402	(593)	70	386	2,445
.....	10	162	(3)	290	(102)
38	(371)	(2,629)	(23)	(8,383)	(78)
.....	(17)	1,330	264	4,885	(5,920)
66	(950)	(713)	(8)	(9,977)	34,368
.....	(55)	(437)	.....	(492)	(1,146)
142	(16,289)	5,121	(87)	(45,841)	6,286
.....	(1)	(4,125)	.....	(4,195)	.....
.....	60	(95)	(168)	1,695	(2,106)
.....	.....	.....	.....	(35,967)	21,792
$ (15,949)	$ (4,191)	$ (3,185)	$ 1,895	$ (47,598)	$ (9,720)

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues and Expenses Budget and Actual Enterprise Funds For the Fiscal Year Ended June 30, 1988 (expressed in thousands)

	LIQUOR			WORKERS' COMPENSATION		
	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
OPERATING REVENUES:						
Sales	$ 433,945	$ 220,419	$ (213,526)	$	$	$ .....
Charges for services	.....	.....	.....	.....	29	29
Workers' compensation contributions	.....	.....	.....	1,222,650	606,234	(616,416)
Lottery ticket proceeds	.....	.....	.....	.....	.....	.....
Miscellaneous revenues	64,265	29,782	(34,483)	6,033	11,164	5,131
Total Operating Revenues	498,210	250,201	(248,009)	1,228,683	617,427	(611,256)
EXPENSES:						
Allotted expenses	130,495	63,265	(67,230)	190,977	88,670	(102,307)
Nonallotted expenses (adjustments)	310,224	156,844	(153,380)	1,653,381	872,264	(781,117)
Total Expenses	440,719	220,109	(220,610)	1,844,358	960,934	(883,424)
Net Operating Revenues Over (Under) Expenses	57,491	30,092	(27,399)	(615,675)	(343,507)	272,168
NONOPERATING REVENUES:						
Other revenue (loss)	.....	12	12	.....	52	52
Interest income	1,430	560	(870)	602,227	276,733	(325,494)
Total Nonoperating Revenues	1,430	572	(858)	602,227	276,785	(325,442)
Income (Loss) Before Operating Transfers	58,921	30,664	(28,257)	(13,448)	(66,722)	(53,274)
OPERATING TRANSFERS:						
Operating transfers in		64,493			72,060	
Operating transfers out		(93,067)			(66,590)	
Net Operating Transfers In (Out)	(57,975)	(28,574)	29,401	.....	5,470	5,470
NET INCOME (LOSS)	$ 946	$ 2,090	$ 1,144	$ (13,448)	$ (61,252)	$ (47,804)

Continued

CONVENTION AND TRADE			LOTTERY			INSTITUTIONAL		
ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
$.....	$.....	$.....	$.....	$.....	$.....	$ 19,606	$ 12,894	$ (6,712)
1,526	.....	(1,526)	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	430,500	214,048	(216,452)	.....	.....	.....
15,002	6,967	(8,035)	.....	.....	.....	.....	1,033	1,033
16,528	6,967	(9,561)	430,500	214,048	(216,452)	19,606	13,927	(5,679)
114,438	45,283	(69,155)	254,530	133,411	(121,119)	.....	.....	.....
(102,429)	(42,521)	59,908	.....	32	32	19,945	13,825	(6,120)
12,009	2,762	(9,247)	254,530	133,443	(121,087)	19,945	13,825	(6,120)
4,519	4,205	(314)	175,970	80,605	(95,365)	(339)	102	441
.....	.....	.....	.....	7	7	.....	.....	.....
128	64	(64)	760	450	(310)	.....	1	1
128	64	(64)	760	457	(303)	.....	1	1
4,647	4,269	(378)	176,730	81,062	(95,668)	(339)	103	442
	13,884			51,735			1,021	
	(13,884)			(134,570)			(1,287)	
.....	.....	.....	(176,731)	(82,835)	93,896	1,568	(266)	(1,834)
$ 4,647	$ 4,269	$ (378)	$ (1)	$ (1,773)	$ (1,772)	$ 1,229	$ (163)	$ (1,392)

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues and Expenses Budget and Actual Enterprise Funds For the Fiscal Year Ended June 30, 1988 (expressed in thousands)

	STATE FERRY AND TOLL			STUDENT SERVICES		
	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
OPERATING REVENUES:						
Sales	$	$	$	$ 88,569	$ 43,820	$ (44,749)
Charges for services	114,455	56,083	(58,372)	468,150	228,693	(239,457)
Workers' compensation contributions						
Workers' compensation contributions						
Miscellaneous revenues	34,894	17,098	(17,796)	75,915	40,452	(35,463)
Total Operating Revenues	149,349	73,181	(76,168)	632,634	312,965	(319,669)
EXPENSES:						
Allotted expenses	106,718	54,427	(52,291)	239,025	123,550	(115,475)
Nonallotted expenses (adjustments)	66,674	32,671	(34,003)	410,929	181,389	(229,540)
Total Expenses	173,392	87,098	(86,294)	649,954	304,939	(345,015)
Net Operating Revenues Over (Under) Expenses	(24,043)	(13,917)	10,126	(17,320)	8,026	25,346
NONOPERATING REVENUES:						
Other revenue (loss)	173	85	(88)		(284)	(284)
Interest income	1,722	844	(878)	12,600	6,285	(6,315)
Total Nonoperating Revenues	1,895	929	(966)	12,600	6,001	(6,599)
Income (Loss) Before Operating Transfers	(22,148)	(12,988)	9,160	(4,720)	14,027	18,747
OPERATING TRANSFERS:						
Operating transfers in		75,329			39,905	
Operating transfers out		(75,329)			(39,172)	
Net Operating Transfers In (Out)					733	733
NET INCOME (LOSS)	$ (22,148)	$ (12,988)	$ 9,160	$ (4,720)	$ 14,760	$ 19,480

Concluded

OTHER ACTIVITIES			TOTALS		
ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
$ 160	$ 34	$ (126)	$ 542,280	$ 277,167	$ (265,113)
12,604	6,596	(6,008)	596,735	291,401	(305,334)
.....	.....	.....	1,222,650	606,234	(616,416)
.....	.....	.....	430,500	214,048	(216,452)
.....	1,485	1,485	196,109	107,981	(88,128)
12,764	8,115	(4,649)	2,988,274	1,496,831	(1,491,443)
12,556	5,306	(7,250)	1,048,739	513,912	(534,827)
.....	2,882	2,882	2,358,724	1,217,386	(1,141,338)
12,556	8,188	(4,368)	3,407,463	1,731,298	(1,676,165)
208	(73)	(281)	(419,189)	(234,467)	184,722
.....	.....	.....	173	(128)	(301)
188	278	90	619,055	285,215	(333,840)
188	278	90	619,228	285,087	(334,141)
396	205	(191)	200,039	50,620	(149,419)
	3,374			321,801	
	(86)			(423,985)	
5,377	3,288	(2,089)	(227,761)	(102,184)	125,577
$ 5,773	$ 3,493	$ (2,280)	$ (27,722)	$ (51,564)	$ (23,842)

Port Townsend

Washington

Internal Service Funds

Internal Service Funds account for state activities that provide goods and services to other state departments or agencies on a cost-reimbursement basis. A brief description of each fund follows:

The **Central Services Fund** accounts for the cost of providing the following services to state agencies: (1) Legal services; (2) Operation and management of real estate; (3) Facilities and related services; (4) Auditing of state and local governmental units; (5) Administration of the state civil service law; (6) Administrative hearings; and (7) Archives and records management.

The **Central Stores Fund** accounts for the purchase and subsequent sale or rental to state agencies, of supplies, equipment, and services through central stores; it also accounts for the costs to operate central stores.

The **Equipment Revolving Fund** accounts for the purchase, repair, maintenance, and replacement of equipment, machinery, supplies, and vehicles used for the following activities: (1) Administration, maintenance, and construction of highways and highway facilities; and (2) Management of public and private lands.

The **Data Processing Revolving Fund** accounts for the distribution and apportionment of the full cost of data processing and data communication services to other state agencies, and for the payment of other costs incidental to the acquisition, operation, and administration of acquired data processing services, supplies, and equipment.

The **Printing Services Fund** accounts for the operation of the state printing plant.

The **Motor Transport Fund** accounts for operations of the state motor pool, including the cost of replacing vehicles.

The **Higher Education Revolving Fund** accounts for stores, data processing, educational, operational printing and duplication, motor pool, and other support service activities at colleges and universities.

The **Other Services Fund** accounts for the acquisition of federal surplus properties and food for resale or donation to eligible parties.

STATE OF WASHINGTON

Combining Balance Sheet
Internal Service Funds
June 30, 1988
(expressed in thousands)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
ASSETS:					
CURRENT ASSETS:					
Cash and pooled investments	$ 11,573	$ 1,420	$ 21,466	$ 10,422	$ 250
Other receivables (net of allowance)	19	81	198	222	.....
Due from other funds	3,016	1,469	5,187	15,066	3,727
Due from other governments	5,929	78	48	1,705	.....
Inventories	.....	2,143	3,251	855	3,010
Prepaid expenses	.....	199	.....	3	8
Total Current Assets	20,537	5,390	30,150	28,273	6,995
OTHER ASSETS:					
Investments, noncurrent	.....	.....	.....	.....	2,000
Other nonfixed assets	.....	.....	.....	1,084	.....
Total Other Assets	.....	.....	.....	1,084	2,000
FIXED ASSETS:					
Land	1,177	6	.....	.....	.....
Buildings	14,434	95	59	.....	.....
Other improvements and miscellaneous	4	.....	.....	4,403	262
Furnishings and equipment	6,890	1,451	131,260	70,094	5,019
Accumulated depreciation	(3,145)	(1,036)	(69,599)	(45,337)	(2,216)
Total Fixed Assets	19,360	516	61,720	29,160	3,065
Total Assets	$ 39,897	$ 5,906	$ 91,870	$ 58,517	$ 12,060
LIABILITIES AND FUND EQUITY:					
CURRENT LIABILITIES:					
Accounts payable	$ 791	$ 490	$ 1,970	$ 6,731	$ 1,514
Contracts and retainages payable	2,477	33	138	1,281	.....
Accrued liabilities	4,413	270	1,890	1,985	383
Due to other funds	11,137	397	411	1,358	58
Due to other governments	45	3	.....	.....	.....
Deferred revenues	65	597	.....	125	2,364
Total Current Liabilities	18,928	1,790	4,409	11,480	4,319
LONG-TERM LIABILITIES:					
Other long-term obligations	2,256	.....	.....	1,644	49
Total Long-Term Liabilities	2,256	.....	.....	1,644	49
Total Liabilities	21,184	1,790	4,409	13,124	4,368
FUND EQUITY:					
Contributed capital	13,066	416	18,526	2,665	.....
Retained earnings:					
Unreserved	5,647	3,700	68,935	42,728	7,692
Total Fund Equity	18,713	4,116	87,461	45,393	7,692
Total Liabilities and Fund Equity	$ 39,897	$ 5,906	$ 91,870	$ 58,517	$ 12,060

MOTOR - TRANSPORT	HIGHER EDUC. REVOLVING	OTHER SERVICES	TOTALS JUNE 30, 1988	TOTALS JUNE 30, 1987
$ 1,876	$ 8,157	$ 226	$ 55,390	$ 44,955
.....	854	65	1,439	1,377
812	509	41	29,827	23,497
.....	41	46	7,847	2,932
.....	8,754	1,482	19,495	16,851
.....	.....	.....	210	157
2,688	18,315	1,860	114,208	89,769
.....	.....	.....	2,000	2,750
.....	.....	.....	1,084	14
.....	.....	.....	3,084	2,764
.....	.....	.....	1,183	1,283
.....	284	.....	14,872	1,865
5	28	.....	4,702	2,986
10,421	38,222	42	263,399	241,361
(4,812)	(21,533)	(6)	(147,684)	(124,534)
5,614	17,001	36	136,472	122,961
$ 8,302	$ 35,316	$ 1,896	$ 253,764	$ 215,494
$ 48	$ 3,231	$ 22	$ 14,797	$ 12,834
.....	1,231	.....	5,160	9,323
103	2,990	30	12,064	10,207
21	299	23	13,704	2,652
.....	.....	.....	48	19
38	45	.....	3,234	3,043
210	7,796	75	49,007	38,078
.....	4,190	.....	8,139	14,875
.....	4,190	.....	8,139	14,875
210	11,986	75	57,146	52,953
.....	400	100	35,173	21,610
8,092	22,930	1,721	161,445	140,931
8,092	23,330	1,821	196,618	162,541
$ 8,302	$ 35,316	$ 1,896	$ 253,764	$ 215,494

STATE OF WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Internal Service Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
OPERATING REVENUES:					
Sales	$	$ 11,758	$ 2,796	$ 12,580	$ 25,154
Less: Cost of goods sold		6,370	2,646	11,981	23,610
Gross profit		5,388	150	599	1,544
Charges for services	59,598	1,011	45,181	85,111	
Miscellaneous revenue	5,352	47	815	23	
Total Operating Revenues	64,950	6,446	46,146	85,733	1,544
OPERATING EXPENSES:					
Salaries and wages	35,438	2,160	12,689	15,945	
Personal services	1,227	47	362	3,723	
Goods and services	15,897	2,694	12,894	37,159	
Travel	1,138	17	132	246	
Employee benefits	7,459	509	2,717	3,230	
Depreciation	747	227	12,309	15,312	426
Miscellaneous expenses	346	12	350	951	
Total Operating Expenses	62,252	5,666	41,453	76,566	426
Operating Income (Loss)	2,698	780	4,693	9,167	1,118
NONOPERATING REVENUES (EXPENSES):					
Other revenue (expenses)	248	21	402	235	
Interest income	323	32	1,251	366	
Interest expense	(276)	(5)	(12)	(856)	
Total Nonoperating Revenues (Expenses)	295	48	1,641	(255)	
Income (Loss) Before Operating Transfers	2,993	828	6,334	8,912	1,118
OPERATING TRANSFERS:					
Operating transfers in	19			111	
Operating transfers out	(753)				
Net operating transfers in (out)	(734)			111	
NET INCOME (LOSS)	2,259	828	6,334	9,023	1,118
FUND EQUITY:					
Fund equity as restated, July 1	3,388	8,086	80,630	31,572	6,574
Fund equity transfers (net)		(4,798)		4,798	
Contributions of capital	13,066		497		
Fund Equity, June 30	$ 18,713	$ 4,116	$ 87,461	$ 45,393	$ 7,692

MOTOR TRANSPORT	HIGHER EDUC. REVOLVING	OTHER SERVICES	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	JUNE 30, 1987
$.....	$ 28,308	$.....	$ 80,596	$ 107,107
.....	24,302	.....	68,909	80,788
.....	4,006	.....	11,687	26,319
4,781	59,368	813	255,863	208,144
37	835	7,128	14,237	6,400
4,818	64,209	7,941	281,787	240,863
465	22,543	276	89,516	77,162
.....	31	4	5,394	−1,900
1,761	32,659	7,145	110,209	88,920
3	405	10	1,951	1,752
110	4,704	66	18,795	17,313
1,334	4,089	4	34,448	31,142
1	1,224	1	2,885	1,760
3,674	65,655	7,506	263,198	219,949
1,144	(1,446)	435	18,589	20,914
186	17	.....	1,109	(2,347)
.....	517	9	2,498	3,613
.....	(59)	.....	(1,208)	(2,676)
186	475	9	2,399	(1,410)
1,330	(971)	444	20,988	19,504
.....	10,196	.....	10,326	252
(19)	(10,307)	.....	(11,079)	(5,254)
(19)	(111)	.....	(753)	(5,002)
1,311	(1,082)	444	20,235	14,502
6,781	24,133	1,377	162,541	147,599
.....	279	.....	279	.....
.....	.....	.....	13,563	440
$ 8,092	$ 23,330	$ 1,821	$ 196,618	$ 162,541

STATE OF WASHINGTON

Combining Statement of Changes in Financial Position
Internal Service Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
SOURCES OF WORKING CAPITAL:					
OPERATIONS:					
Net income (loss)	$ 2,259	$ 828	$ 6,334	$ 9,023	$ 1,118
Items not requiring working capital in the current period:					
Depreciation	747	227	12,309	15,312	426
Working Capital Provided by Operations Before Changes	3,006	1,055	18,643	24,335	1,544
Prior period adjustments					
Working Capital Provided by Operations and Changes	3,006	1,055	18,643	24,335	1,544
OTHER SOURCES:					
Sales of noncurrent investments					750
Disposal of fixed assets	620	5,874	245	2,525	
Disposal of other nonfixed assets			15		
Proceeds from other long-term oblig.	454			4,465	
Contributions of capital	13,066		497		
Fund equity transfers in				4,798	
Total Sources of Working Capital	17,146	6,929	19,400	36,123	2,294
USES OF WORKING CAPITAL:					
Purchases of noncurrent investments					
Acquisitions of fixed assets	14,873	39	19,517	14,479	884
Acquisitions of other nonfixed assets				1,085	
Repayment of other long-term oblig.	319	496	6	10,499	26
Fund equity transfers out		4,798			
Total Uses of Working Capital	15,192	5,333	19,523	26,063	910
Net Increase (Decrease) in Working Capital	$ 1,954	$ 1,596	$ (123)	$ 10,060	$ 1,384
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash and pooled investments	$ 8,941	$ (303)	$ 1,214	$ 3,385	$ (75)
Receivables (net of allowance)	1	(31)	(206)	394	
Due from other funds	983	(2,858)	(504)	6,373	1,884
Due from other governments	4,869	(1,370)	38	1,324	
Inventories	(4)	302	458	(209)	566
Prepaid expenses		197	(14)	4	(134)
Accounts payable	33	2,176	(420)	(3,657)	(15)
Contracts and retainages payable	(2,346)	3,001	46	3,585	1
Accrued liabilities	(571)	126	(617)	(311)	(28)
Due to other funds	(9,908)	(165)	(131)	(867)	(59)
Due to other governments	(44)	3	(1)		
Deferred revenue		518	14	39	(756)
Net Increase (Decrease) in Working Capital	$ 1,954	$ 1,596	$ (123)	$ 10,060	$ 1,384

MOTOR TRANSPORT	HIGHER EDUC. REVOLVING	OTHER SERVICES	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	JUNE 30, 1987
$ 1,311	$ (1,082)	$ 444	$ 20,235	$ 14,502
1,334	4,089	4	34,448	31,142
2,645	3,007	448	54,683	45,644
.....	.....	.....	.....	(743)
2,645	3,007	448	54,683	44,901
.....	87	.....	837	.....
104	1,601	.....	10,969	5,819
.....	.....	.....	15	574
.....	3,559	.....	8,478	10,995
.....	.....	.....	13,563	440
.....	588	.....	5,386	.....
2,749	8,842	448	93,931	62,729
.....	87	.....	87	1,100
3,270	5,831	35	58,928	47,536
.....	.....	.....	1,085	14
.....	3,868	.....	15,214	14,557
.....	309	.....	5,107	.....
3,270	10,095	35	80,421	63,207
$ (521)	$ (1,253)	$ 413	$ 13,510	$ (478)
$ (843)	$ (1,784)	$ (100)	$ 10,435	$ 2,466
.....	(118)	22	62	(621)
320	113	19	6,330	(630)
.....	43	11	4,915	850
.....	1,069	462	2,644	(3,219)
.....	.....	.....	53	22
45	(107)	(18)	(1,963)	743
.....	(124)	.....	4,163	(838)
(51)	(404)	(1)	(1,857)	(448)
7	66	5	(11,052)	22
.....	.....	13	(29)	5
1	(7)	.....	(191)	1,170
$ (521)	$ (1,253)	$ 413	$ 13,510	$ (478)

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues and Expenses Budget and Actual Internal Service Funds For the Fiscal Year Ended June 30, 1988 (expressed in thousands)

	CENTRAL SERVICES			CENTRAL STORES		
	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
OPERATING REVENUES:						
Sales	$	$	$	$ 25,739	$ 11,758	$ (13,981)
Charges for services	123,009	59,598	(63,411)		1,011	1,011
Workers' compensation contributions						
Miscellaneous revenues	14,729	5,352	(9,377)		47	47
Total Operating Revenues	137,738	64,950	(72,788)	25,739	12,816	(12,923)
EXPENSES:						
Allotted expenses	132,004	60,961	(71,043)	24,370	12,127	(12,243)
Nonallotted expenses (adjustments)	(178)	1,567	1,745		(86)	(86)
Total Expenses	131,826	62,528	(69,298)	24,370	12,041	(12,329)
Net Operating Revenues Over (Under) Expenses	5,912	2,422	(3,490)	1,369	775	(594)
NONOPERATING REVENUES:						
Other revenue (loss)		248	248		21	21
Interest income	810	323	(487)		32	32
Total Nonoperating Revenues	810	571	(239)		53	53
Income (Loss) Before Operating Transfers	6,722	2,993	(3,729)	1,369	828	(541)
OPERATING TRANSFERS:						
Operating transfers in		19				
Operating transfers out		(753)				
Net Operating Transfers In (Out)	(2,903)	(734)	2,169			
NET INCOME (LOSS)	$ 3,819	$ 2,259	$ (1,560)	$ 1,369	$ 828	$ (541)

EQUIPMENT REVOLVING			DATA PROCESSING REVOLVING			PRINTING SERVICES		
ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ - UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
$ 2,689	$ 2,796	$ 107	$ 17,950	$ 12,580	$ (5,370)	$ 48,622	$ 25,154	$ (23,468)
93,955	45,181	(48,774)	181,776	85,111	(96,665)	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....
3,373	815	(2,558)	.....	23	23	.....	.....	.....
100,017	48,792	(51,225)	199,726	97,714	(102,012)	48,622	25,154	(23,468)
.....	.....	.....	194,595	104,711	(89,884)	.....	.....	.....
89,811	44,111	(45,700)	(683)	(15,308)	(14,625)	46,451	24,036	(22,415)
89,811	44,111	(45,700)	193,912	89,403	(104,509)	46,451	24,036	(22,415)
10,206	4,681	(5,525)	5,814	8,311	2,497	2,171	1,118	(1,053)
3,290	402	(2,888)	.....	235	235	.....	.....	.....
358	1,251	893	940	366	(574)	.....	.....	.....
3,648	1,653	(1,995)	940	601	(339)	.....	.....	.....
13,854	6,334	(7,520)	6,754	8,912	2,158	2,171	1,118	(1,053)
	.....			111			.....	
.....	.....	.....	(38)	111	149	.....	.....	.....
$ 13,854	$ 6,334	$ (7,520)	$ 6,716	$ 9,023	$ 2,307	$ 2,171	$ 1,118	$ (1,053)

STATE OF WASHINGTON

Interim 1987-1989 Biennium Combining Schedule of Revenues and Expenses Budget and Actual Internal Service Funds For the Fiscal Year Ended June 30, 1988 (expressed in thousands)

	MOTOR TRANSPORT			HIGHER EDUCATION REVOLVING		
	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
OPERATING REVENUES:						
Sales	$	$	$	$ 57,223	$ 28,308	$ (28,915)
Charges for services	8,780	4,781	(3,999)	119,810	59,368	(60,442)
Workers' compensation contributions						
Miscellaneous revenues		37	37	1,788	835	(953)
Total Operating Revenues	8,780	4,818	(3,962)	178,821	88,511	(90,310)
EXPENSES:						
Allotted expenses	10,925	6,765	(4,160)	9,393	4,252	(5,141)
Nonallotted expenses (adjustments)	(3,854)	(3,091)	763	170,179	85,764	(84,415)
Total Expenses	7,071	3,674	(3,397)	179,572	90,016	(89,556)
Net Operating Revenues Over (Under) Expenses	1,709	1,144	(565)	(751)	(1,505)	(754)
NONOPERATING REVENUES:						
Other revenue (loss)		186	186	40	17	(23)
Interest income				1,035	517	(518)
Total Nonoperating Revenues		186	186	1,075	534	(541)
Income (Loss) Before Operating Transfers	1,709	1,330	(379)	324	(971)	(1,295)
OPERATING TRANSFERS:						
Operating transfers in					10,196	
Operating transfers out		(19)			(10,307)	
Net Operating Transfers In (Out)	(51)	(19)	32		(111)	
NET INCOME (LOSS)	$ 1,658	$ 1,311	$ (347)	$ 324	$ (1,082)	$ (1,295)

Concluded

OTHER SERVICES			TOTALS		
ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88	ESTIMATED/ APPROVED BUDGET 1987-89 BIENNIUM	ACTUAL BIENNIUM-TO-DATE THROUGH 06-30-88	DIFFERENCE UNCOLLECTED/ UNSPENT THROUGH 06-30-88
$.....	$.....	$.....	$ 152,223	$ 80,596	$ (71,627)
1,909	813	(1,096)	529,239	255,863	(273,376)
.....	.....	.....	.....	.....	.....
.....	7,128	7,128	19,890	14,237	(5,653)
1,909	7,941	6,032	701,352	350,696	(350,656)
1,822	870	(952)	373,109	189,686	(183,423)
.....	6,636	6,636	301,726	143,629	(158,097)
1,822	7,506	5,684	674,835	333,315	(341,520)
87	435	348	26,517	17,381	(9,136)
.....	.....	.....	3,330	1,109	(2,221)
.....	9	9	3,143	2,498	(645)
.....	9	9	6,473	3,607	(2,866)
87	444	357	32,990	20,988	(12,002)
	.....			10,326	
	.....			(11,079)	
.....	.....	.....	(2,992)	(753)	2,239
$ 87	$ 444	$ 357	$ 29,998	$ 20,235	$ (9,763)

Bremerton

Trust and Agency Funds

Expendable Trust Funds

Expendable Trust Funds account for assets held by the state in a trustee capacity where the principal and income may be expended in the course of the funds' designated operations. A brief description of each fund follows:

The **Human Resources Trust Fund** accounts for the following: (1) The deposit of funds requisitioned from the Federal Unemployment Trust Fund and for the payment of unemployment benefits; (2) Additional payments to prior pensioners of survivors of deceased injured workers and permanently and totally disabled workers; (3) The residents' share of financial; support for the Veterans' Home and Soldiers' Home and (4) Surcharges assessed on all telephone lines to provide telephone service to low-income persons.

The **Higher Education Trust Fund** accounts for college and university gifts in the support of fellowships and scholarships.

The **Miscellaneous Trust Fund** accounts for the administration of abandoned property laws and for claims against the state arising out of tortious conduct for whom the defense of claims was authorized under legislative statute.

Nonexpendable Trust Funds

Nonexpendable Trust Funds account for assets held by the state in a trustee capacity where only income derived from the trust principal may be expended for designated operations. The principal must be preserved intact. A brief description of each fund follows:

The **Higher Education Endowment Fund** accounts for the principal derived from the sale of timber, and for gifts and bequests which the donors have specified must remain intact. Interest earned is used for the benefit of certain colleges and universities.

The **Common School Permanent Fund** accounts for the principal derived from the sale of timber. Interest earned is used for the benefit of the common schools.

Pension Trust Funds

Pension Trust Funds account for transactions, assets, liabilities, and net assets available for plan benefits of the various state public employee retirement systems. See Note 6, Retirement Systems, for a description of the individual Pension Trust Funds.

Agency Funds

Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the state, acting in the capacity of an agent, for distribution to other governmental units or other organizations. A brief description of each of Washington's Agency Funds follows:

The **Clearing Fund** is used as a clearing account primarily for processing payrolls. This fund is also used for other activities such as the following: (1) Collection and disbursement of child support payments for clients; (2) Processing payments for goods and services purchased; (3) Collection and distribution of a portion of motor vehicle excise taxes to local governments and transit districts for public transportation systems; and (4) Collection and payment of employer and employee O.A.S.I. contributions.

The **Suspense Fund** is used to account for the following: (1) Third parties' monies for which final disposition is not yet known; (2) State revenues received without a statement designating source and fund; and (3) State timber sales bid deposits where final disposition is pending

The **Local Government Distributions Fund** is used to account for the receipt and allocation of local sales and use taxes and leasehold taxes imposed by local governments.

The **Deferred Compensation Fund** is used to account for the amount of compensation deferred by state employees and employees of other political subdivisions electing to participate in a deferred compensation plan in accordance with Internal Revenue Code Section 457.

The **Pooled Investments Fund** is used for pooling and investing surplus public funds, and the accumulation and allocation of interest earned among the various accounts and funds from which such investments and investment deposits were made.

STATE OF WASHINGTON

Combining Balance Sheet
Trust and Agency Funds
June 30, 1988
(expressed in thousands)

	EXPENDABLE TRUST			NONEXPENDABLE TRUST	
	HUMAN RESOURCES TRUST	HIGHER EDUCATION TRUST	MISCELLANEOUS TRUST	HIGHER EDUCATION ENDOWMENT	COMMON SCHOOL PERMANENT
ASSETS:					
Cash and pooled investments	$ 894,339	$ 31,149	$ 9,232	$ 32,667	$ 44
Other receivables (net of allowance)	50,861	78,756	8,478	6,938	2,089
Due from other funds	11,107	2,728	3,470	796	27
Due from other governments	3,905	611	6,320	.....	.....
Inventories	44	.....	194	.....	.....
Total Current Assets	960,256	113,244	27,694	40,401	2,160
OTHER ASSETS:					
Investments, noncurrent	2,800	17,997	1,551	371,288	105,922
Other nonfixed assets	.....	.....	.....	20,975	1,379
Total Other Assets	2,800	17,997	1,551	392,263	107,301
Total Assets	$ 963,056	$ 131,241	$ 29,245	$ 432,664	$ 109,461
LIABILITIES AND FUND EQUITY:					
LIABILITIES:					
Accounts payable	$ 198	$ 289	$ 46	$.....	$.....
Contracts and retainages payable	11	103	.....	1,929	64
Accrued liabilities	72	2,681	43	8,308	.....
Due to other funds	3,174	1,018	770	2,862	2,339
Due to other governments	600	57	1	.....	.....
Deferred revenues	39	327	13,597	20,911	1,380
Current workers' comp benefits payable	105,619	.....	.....	.....	.....
Other long-term obligations	.....	.....	.....	5,876	.....
Total Liabilities	109,713	4,475	14,457	39,886	3,783
FUND EQUITY:					
Unrealized gain on investments	.....	.....	.....	.....	.....
Fund balances:					
Reserved for:					
Encumbrances	251	460	57	.....	.....
Inventories	44	.....	194	.....	.....
Nonexpendable trust corpus	.....	4	.....	392,778	105,678
Unemployment compensation	839,833	.....	.....	.....	.....
Retirement systems	.....	.....	.....	.....	.....
Other specific purposes	2,827	81,747	1,840	.....	.....
Unreserved:					
Designated for other specific purposes	.....	3,459	.....	.....	.....
Undesignated	10,388	41,096	12,697	.....	.....
Total Fund Equity	853,343	126,766	14,788	392,778	105,678
Total Liabilities and Fund Equity	$ 963,056	$ 131,241	$ 29,245	$ 432,664	$ 109,461

PENSION TRUST					
PUBLIC EMPLOYEES'	TEACHERS'	L.E.O.F.F.	STATE PATROL	JUDICIAL	VOLUNTEER FIREMEN
$ 6,401	$ 2,139	$ 518	$ 276	$ 761	$ 75
37,584	27,750	16,413	1,439	1	649
547	225	136	15	44	9
12,505	12,547	2,637	354	64	.....
57,037	42,661	19,704	2,084	870	733
4,997,339	3,385,238	2,025,829	178,745	890	38,366
4,997,339	3,385,238	2,025,829	178,745	890	38,366
$ 5,054,376	$ 3,427,899	$ 2,045,533	$ 180,829	$ 1,760	$ 39,099
$ 2,551	$ 2,953	$ 443	$ 73	$ 37	$ 1
.....	.....	.....	.....	.....	.....
39	38	.....	.....	.....	10
40	116	3	.....	.....	2
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
2,630	3,107	446	73	37	13
718,712	413,695	226,823	15,694	.....	(187)
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
4,333,034	3,011,097	1,818,264	165,062	1,723	39,273
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
5,051,746	3,424,792	2,045,087	180,756	1,723	39,086
$ 5,054,376	$ 3,427,899	$ 2,045,533	$ 180,829	$ 1,760	$ 39,099

STATE OF WASHINGTON

Combining Balance Sheet
Trust and Agency Funds
June 30, 1988
(expressed in thousands)

Concluded

	AGENCY					TOTALS	
	CLEARING	SUSPENSE	LOCAL GOVERNMENT DISTRUB.	DEFFERED COMP.	POOLED INVEST.	JUNE 30, 1988	JUNE 30, 1987
ASSETS:							
Cash and pooled investments	$ 35,078	$ 26,455	$ 14,111	$	$ 538,928	$ 1,592,173	$ 1,080,365
Other receivables (net of allowance)	23,596	1,960			11,031	267,545	208,801
Due from other funds	3,329	1,177	58,838		2,580	85,028	74,030
Due from other governments		6,224			4,538	49,705	103,375
Inventories						238	112
Total Current Assets	62,003	35,816	72,949		557,077	1,994,689	1,466,683
OTHER ASSETS:							
Investments, noncurrent				122,581	1,815	11,250,361	10,617,863
Other nonfixed assets		35,212				57,566	5,615
Total Other Assets		35,212		122,581	1,815	11,307,927	10,623,478
Total Assets	$ 62,003	$ 71,028	$ 72,949	$ 122,581	$ 558,892	$ 13,302,616	$ 12,090,161
LIABILITIES AND FUND EQUITY:							
LIABILITIES:							
Accounts payable	$ 899	$ 262	$	$	$ 1,342	$ 9,094	$ 3,432
Contracts and retainages payable	135	9,600			1,759	13,601	12,789
Accrued liabilities	57,211	1,511	611	170	24,515	95,209	51,703
Due to other funds	159	15,041			70,913	96,437	89,478
Due to other governments	3,599	44,614	72,338		451,970	573,179	413,982
Deferred revenues						36,254	9,190
Current workers' comp benefits payable						105,619	98,148
Other long-term obligations				122,411	8,393	136,680	104,477
Total Liabilities	62,003	71,028	72,949	122,581	558,892	1,066,073	783,199
FUND EQUITY:							
Unrealized gain on investments						1,374,737	2,095,419
Fund balances:							
Reserved for:							
Encumbrances						768	
Inventories						238	112
Nonexpendable trust corpus						498,460	467,076
Unemployment compensation						839,833	493,616
Retirement systems						9,368,453	8,128,800
Other specific purposes						86,414	77,270
Unreserved:							
Designated for other specific purposes						3,459	3,118
Undesignated						64,181	41,551
Total Fund Equity						12,236,543	11,306,962
Total Liabilities and Fund Equity	$ 62,003	$ 71,028	$ 72,949	$ 122,581	$ 558,892	$ 13,302,616	$ 12,090,161

STATE OF WASHINGTON

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
Expendable Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	HUMAN RESOURCES TRUST	HIGHER EDUCATION TRUST	MISC. TRUST	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
REVENUES:					
Federal grants-in-aid	$ 22	$ 48,680	$ 32,490	$ 81,192	$ 74,463
Charges for services	99	6,851	1,755	8,705	7,034
Unemployment comp. contributions	669,662	.....	.....	669,662	613,665
Workers' compensation contributions	113,286	.....	.....	113,286	150,015
Miscellaneous revenue	68,787	26,932	9,910	105,629	58,722
Total Revenues	851,856	82,463	44,155	978,474	903,899
EXPENDITURES:					
Current:					
General government	.....	.....	39,397	39,397	41,920
Human resources	489,685	.....	364	490,049	577,115
Natural resources and recreation	.....	.....	119	119	192
Education	64	72,655	335	73,054	65,779
Capital outlays	63	546	230	839	600
Debt service:					
Principal	8	50	.....	58	8
Interest	.....	35	.....	35	6
Total Expenditures	489,820	73,286	40,445	603,551	685,620
Excess of Revenues Over (Under) Expenditures	362,036	9,177	3,710	374,923	218,279
OTHER FINANCING SOURCES (USES):					
Operating transfers in	4,619	6,455	13,129	24,203	24,827
Operating transfers out	(13,800)	(5,926)	(6,282)	(26,008)	(24,939)
Total Other Financing Sources (Uses)	(9,181)	529	6,847	(1,805)	(112)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	352,855	9,706	10,557	373,118	218,167
FUND BALANCES:					
Fund balances as restated, July 1	500,488	105,044	4,231	609,763	397,627
Fund equity transfers (net)	.....	12,016	.....	12,016	(15)
Fund Balances, June 30	$ 853,343	$ 126,766	$ 14,788	$ 994,897	$ 615,779

STATE OF WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	HIGHER EDUCATION ENDOWMENT	COMMON SCHOOL PERMANENT	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
OPERATING REVENUES:				
Charges for services	$ 41	$	$ 41	$ 29
Earnings on investments	30,715	12,915	43,630	48,530
Miscellaneous revenue	35,550	1,067	36,617	32,280
Total Operating Revenues	66,306	13,982	80,288	80,839
NONOPERATING REVENUES (EXPENSES):				
Other revenues (expenses)	8	166	174	118
Income Before Operating Transfers	66,314	14,148	80,462	80,957
OPERATING TRANSFERS:				
Operating transfers in	3,572		3,572	
Operating transfers out	(31,146)	(8,066)	(39,212)	(26,186)
Net operating transfers in (out)	(27,574)	(8,066)	(35,640)	(26,186)
NET INCOME	38,740	6,082	44,822	54,771
FUND EQUITY:				
Fund equity as restated, July 1	366,020	99,596	465,616	412,193
Fund equity transfers (net)	(11,982)		(11,982)	
Fund Equity, June 30	$ 392,778	$ 105,678	$ 498,456	$ 466,964

STATE OF WASHINGTON

Combining Statement of Changes in Financial Position
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	HIGHER EDUCATION ENDOWMENT	COMMON SCHOOL PERMANENT	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	TOTALS FOR THE YEAR ENDED JUNE 30, 1987
SOURCES OF WORKING CAPITAL:				
OPERATIONS:				
Net income	$ 38,740	$ 6,082	$ 44,822	$ 54,771
Items not requiring working capital in the current period:				
Amortization of premiums/discounts on investments	530	(1,977)	(1,447)	(538)
Working Capital Provided by Operations Before Changes	39,270	4,105	43,375	54,233
Prior period adjustments	.....	(1,349)	(1,349)	.....
Working Capital Provided by Operations and Changes	39,270	2,756	42,026	54,233
OTHER SOURCES:				
Sales of noncurrent investments	167,863	53,265	221,128	.....
Disposal of other nonfixed assets	.....	682	682	4,467
Proceeds from other long-term oblig.	19	.....	19	28
Fund equity transfers in	814	.....	814	.....
Total Sources of Working Capital	207,966	56,703	264,669	58,728
USES OF WORKING CAPITAL:				
Purchases of noncurrent investments	184,082	58,789	242,871	45,922
Acquisitions of other nonfixed assets	19,802	.....	19,802	.....
Repayment of other long-term oblig.	794	.....	794	496
Fund equity transfers out	12,796	.....	12,796	.....
Total Uses of Working Capital	217,474	58,789	276,263	46,418
Net Increase (Decrease) in Working Capital	$ (9,508)	$ (2,086)	$ (11,594)	$ 12,310
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:				
Cash and pooled investments	$ 12,093	$ (434)	$ 11,659	$ 7,812
Receivables (net of allowance)	1,305	(32)	1,273	1,063
Due from other funds	789	23	812	4
Contracts and retainages payable	(155)	15	(140)	2,074
Accrued liabilities	(1,982)	.....	(1,982)	(2,299)
Due to other funds	(1,776)	(2,339)	(4,115)	(915)
Deferred revenue	(19,782)	681	(19,101)	4,571
Net Increase (Decrease) in Working Capital	$ (9,508)	$ (2,086)	$ (11,594)	$ 12,310

STATE OF WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Equity
Pension Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	PUBLIC EMPLOYEES'	TEACHERS'	L.E.O.F.F.	STATE PATROL	JUDICIAL
OPERATING REVENUES:					
Earnings on investments	$ 447,961	$ 302,719	$ 181,898	$ 14,739	$ 106
Pension contributions	327,535	254,565	93,082	8,180	3,693
Miscellaneous revenue	37	.....	.....	.....	24
Total Operating Revenues	775,533	557,284	274,980	22,919	3,823
OPERATING EXPENSES:					
Salaries and wages	.....	.....	.....	.....	.....
Personal services	606	431	390	11	5
Goods and services	5	1	34	.....	.....
Travel	.....	.....	.....	.....	.....
Employee benefits	.....	.....	.....	.....	.....
Pension benefit payments	279,699	208,011	85,889	4,906	2,556
Miscellaneous expenses	.....	.....	.....	.....	.....
Total Operating Expenses	280,310	208,443	86,313	4,917	2,561
Operating Income (Loss)	495,223	348,841	188,667	18,002	1,262
NONOPERATING REVENUES (EXPENSES):					
Other revenues (expenses)	.....	.....	.....	.....	.....
Income Before Operating Transfers	495,223	348,841	188,667	18,002	1,262
OPERATING TRANSFERS:					
Operating transfers out	(310)	(210)	(127)	(11)	.....
NET INCOME	494,913	348,631	188,540	17,991	1,262
FUND EQUITY:					
Fund equity as restated, July 1	4,793,618	3,262,391	1,960,917	169,892	485
Unrealized gain (loss) on investments	(236,785)	(186,230)	(104,370)	(7,127)	(24)
Fund Equity, June 30	$ 5,051,746	$ 3,424,792	$ 2,045,087	$ 180,756	$ 1,723

VOLUNTEER FIREMEN	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	JUNE 30, 1987
$ 2,983	$ 950,406	$ 643,796
409	687,464	835,252
2,081	2,142	2,488
5,473	1,640,012	1,481,536
59	59	57
.....	1,443	18
44	84	4,076
2	2	2
16	16	19
.....	581,061	547,259
2,691	2,691	.....
2,812	585,356	551,431
2,661	1,054,656	930,105
28	28	136
2,689	1,054,684	930,241
(2)	(660)	(565)
2,687	1,054,024	929,676
36,916	10,224,219	8,533,774
(517)	(535,053)	760,769
$ 39,086	$ 10,743,190	$ 10,224,219

STATE OF WASHINGTON

Combining Statement of Changes in Financial Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	PUBLIC EMPLOYEES'	TEACHERS'	L.E.O.F.F.	STATE PATROL	JUDICIAL
SOURCES OF WORKING CAPITAL:					
OPERATIONS:					
Net income	$ 494,913	$ 348,631	$ 188,540	$ 17,991	$ 1,262
Items not requiring working capital in the current period:					
Amortization of premiums/discounts on investments	154	3,977	1,766	448	.....
Working Capital Provided by Operations	495,067	352,608	190,306	18,439	1,262
OTHER SOURCES:					
Sales of noncurrent investments	2,491,753	2,158,157	1,248,479	87,357	3,532
Unrealized gain on investments	.....	.....	.....	.....	.....
Total Sources of Working Capital	2,986,820	2,510,765	1,438,785	105,796	4,794
USES OF WORKING CAPITAL:					
Purchases of noncurrent investments	2,783,330	2,328,968	1,337,637	99,443	4,291
Unrealized loss on investments	236,785	186,230	104,370	7,127	24
Total Uses of Working Capital	3,020,115	2,515,198	1,442,007	106,570	4,315
Net Increase (Decrease) in Working Capital	$ (33,295)	$ (4,433)	$ (3,222)	$ (774)	$ 479
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash and pooled investments	$ (3,686)	$ (3,353)	$ (1,462)	$ (640)	$ 501
Receivables (net of allowance)	11,778	8,299	3,800	110	.....
Due from other funds	(78)	(151)	(29)	(1)	24
Due from other governments	(41,412)	(7,972)	(5,545)	(234)	(42)
Accounts payable	(304)	(1,275)	(48)	(9)	(4)
Accrued liabilities	4	(20)	.....	.....	.....
Due to other funds	366	39	62	.....	.....
Deferred revenue	37	.....	.....	.....	.....
Net Increase (Decrease) in Working Capital	$ (33,295)	$ (4,433)	$ (3,222)	$ (774)	$ 479

VOLUNTEER FIREMEN	TOTALS FOR THE YEAR ENDED JUNE 30, 1988	JUNE 30, 1987
$ 2,687	$ 1,054,024	$ 929,676
205	6,550	.....
2,892	1,060,574	929,676
61,124	6,050,402	799
.....	.....	762,614
64,016	7,110,976	1,693,089
65,549	6,619,218	1,680,837
517	535,053	1,845
66,066	7,154,271	1,682,682
$ (2,050)	$ (43,295)	$ 10,407
$ (1,914)	$ (10,554)	$ 482
(147)	23,840	(75,039)
3	(232)	(313)
.....	(55,205)	83,312
(2)	(1,642)	137
(1)	(17)	(65)
11	478	1,485
.....	37	408
$ (2,050)	$ (43,295)	$ 10,407

STATE OF WASHINGTON

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

Continued

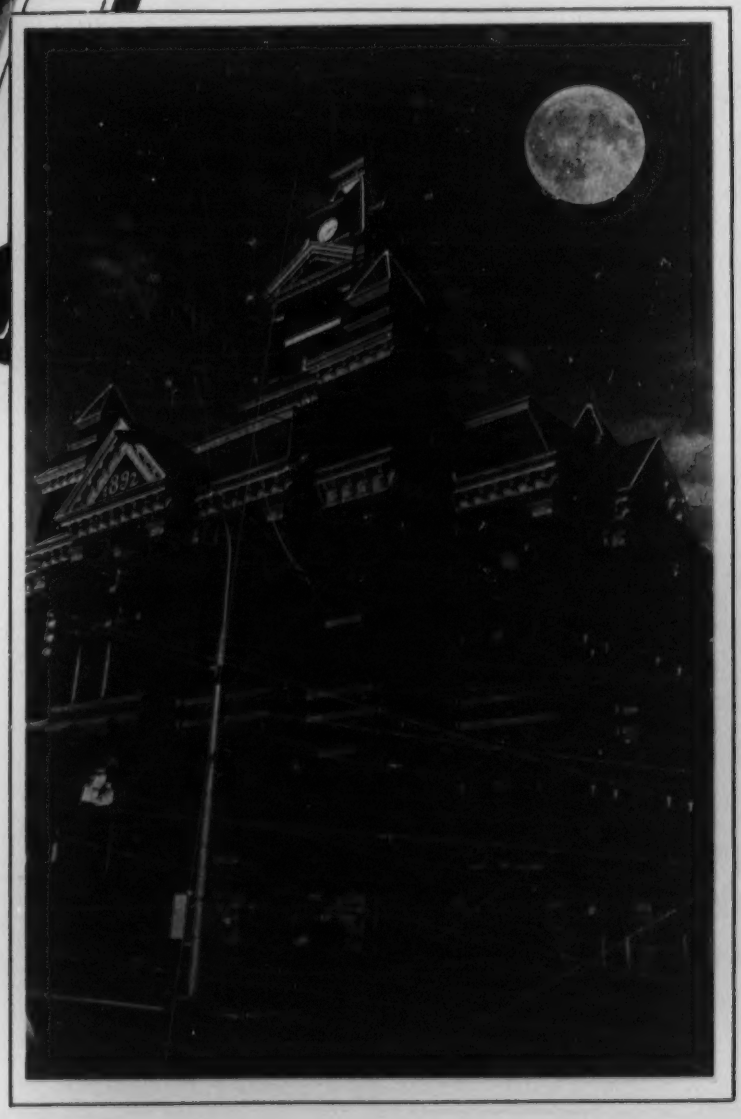
	BALANCE JULY 1, 1987	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1988
CLEARING FUND				
ASSETS:				
Cash and pooled investments	$ 20,817	$ 1,294,640	$ 1,280,379	$ 35,078
Other receivables (net of allowance)	1,905	167,137	145,446	23,596
Due from other funds	834	6,514	4,019	3,329
Total Assets	$ 23,556	$ 1,468,291	$ 1,429,844	$ 62,003
LIABILITIES:				
Accounts payable	$ 3,013	$ 14,105	$ 16,219	$ 899
Contracts and retainages payable	145	12	22	135
Accrued liabilities	18,082	1,326,316	1,287,187	57,211
Due to other funds	1,005	14,742	15,588	159
Due to other governments	1,311	2,586	298	3,599
Total Liabilities	$ 23,556	$ 1,357,761	$ 1,319,314	$ 62,003
SUSPENSE FUND				
ASSETS:				
Cash and pooled investments	$ 18,248	$ 200,017	$ 191,810	$ 26,455
Other receivables (net of allowance)	1,300	1,142	482	1,960
Due from other funds	2,114	6,759	7,696	1,177
Due from other governments	5,188	1,051	15	6,224
Other nonfixed assets	2,381	35,212	2,381	35,212
Total Assets	$ 29,231	$ 244,181	$ 202,384	$ 71,028
LIABILITIES:				
Accounts payable	$ 203	$ 10,283	$ 10,224	$ 262
Contracts and retainages payable	9,246	5,139	4,785	9,600
Accrued liabilities	5,087	102,646	106,222	1,511
Due to other funds	13,041	37,705	35,705	15,041
Due to other governments	1,654	92,232	49,272	44,614
Total Liabilities	$ 29,231	$ 248,005	$ 206,208	$ 71,028
LOCAL GOVERNMENT DISTRIBUTIONS FUND				
ASSETS:				
Cash and pooled investments	$ 9,519	$ 892,239	$ 887,647	$ 14,111
Due from other funds	54,338	4,500	.....	58,838
Total Assets	$ 63,857	$ 896,739	$ 887,647	$ 72,949
LIABILITIES:				
Accrued liabilities	$ 611	$.....	$.....	$ 611
Due to other governments	63,246	901,234	892,142	72,338
Total Liabilities	$ 63,857	$ 901,234	$ 892,142	$ 72,949

STATE OF WASHINGTON

Combining Statement of Changes in Assets and Liabilities — Concluded
Agency Funds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	BALANCE JULY 1, 1987	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1988
DEFERRED COMPENSATION FUND				
ASSETS:				
Cash and pooled investments	$	$ 52,702	$ 52,702	$
Other receivables (net of allowance)		29,406	29,406	
Investments, noncurrent	89,416	56,219	23,054	122,581
Total Assets	$ 89,416	$ 138,327	$ 105,162	$ 122,581
LIABILITIES:				
Accounts payable	$	$ 1,197	$ 1,197	$
Accrued liabilities		4,217	4,047	170
Due to other governments		308	308	
Other long-term obligations	89,416	38,295	5,300	122,411
Total Liabilities	$ 89,416	$ 44,017	$ 10,852	$ 122,581
POOLED INVESTMENTS FUND				
ASSETS:				
Cash and pooled investments	$ 80,134	$ 64,918,295	$ 64,459,501	$ 538,928
Other receivables (net of allowance)	9,984	2,856	1,809	11,031
Due from other funds	1,492	1,988	900	2,580
Due from other governments	3,948	782	192	4,538
Investments, noncurrent	1,722	137,181	137,088	1,815
Total Assets	$ 97,280	$ 65,061,102	$ 64,599,490	$ 558,892
LIABILITIES:				
Accounts payable	$ 448	$ 6,319	$ 5,425	$ 1,342
Contracts and retainages payable	1,439	5,272	4,952	1,759
Accrued liabilities	20,771	36,957	33,213	24,515
Due to other funds	66,229	73,726	69,042	70,913
Due to other governments	(17)	3,224,222	2,772,235	451,970
Other long-term obligations	8,410		17	8,393
Total Liabilities	$ 97,280	$ 3,346,496	$ 2,884,884	$ 558,892
TOTALS - ALL AGENCY FUNDS				
ASSETS:				
Cash and pooled investments	$ 128,718	$ 67,357,893	$ 66,872,039	$ 614,572
Other receivables (net of allowance)	13,189	200,541	177,143	36,587
Due from other funds	58,778	19,761	12,615	65,924
Due from other governments	9,136	1,833	207	10,762
Investments, noncurrent	91,138	193,400	160,142	124,396
Other nonfixed assets	2,381	35,212	2,381	35,212
Total Assets	$ 303,340	$ 67,808,640	$ 67,224,527	$ 887,453
LIABILITIES:				
Accounts payable	$ 3,664	$ 31,904	$ 33,065	$ 2,503
Contracts and retainages payable	10,830	10,423	9,759	11,494
Accrued liabilities	44,551	1,470,136	1,430,669	84,018
Due to other funds	80,275	126,173	120,335	86,113
Due to other governments	66,194	4,220,582	3,714,255	572,521
Other long-term obligations	97,826	38,295	5,317	130,804
Total Liabilities	$ 303,340	$ 5,897,513	$ 5,313,400	$ 887,453

Bellingham



General Fixed Assets Account Group

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in the individual funds. Public domain (infrastructure) assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, and similar assets) are not reported in the account group.

Schedule of General Fixed Assets*
By Function
June 30, 1988
(expressed in thousands)

	Land	Buildings	Furnishings and Equipment	Other** Improvements/ Miscellaneous	Construction in Progress	Total
General government	$ 13,715	$ 74,397	$ 20,863	$ 5,447	$ 6,475	$ 120,897
Human resources	4,257	344,744	39,386	62,809	36,802	487,998
Natural resources and recreation	172,954	39,326	21,237	11,031	91	244,639
Transportation	13,057	43,566	29,224	.....	5,650	91,497
Education	65,558	663,651	159,051	263,171	83,478	1,234,909
Total General Fixed Assets	$ 269,541	$ 1,165,684	$ 269,761	$ 342,458	$ 132,496	$ 2,179,940

* Amounts displayed are net of depreciation where appropriate.
**Includes library resources, museum, and art collections.

Schedule of Changes in General Fixed Assets*
By Function
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	Balance July 1, 1987	Additions	Deletions	Balance June 30, 1988
General government	$ 115,295	$ 18,691	$ 13,089	$ 120,897
Human resources	456,760	136,764	105,526	487,998
Natural resources and recreation	258,203	6,575	20,139	244,639
Transportation	78,412	14,023	938	91,497
Education	1,166,114	104,218	35,423	1,234,909
Total General Fixed Assets	$ 2,074,784	$ 280,271	$ 175,115	$ 2,179,940

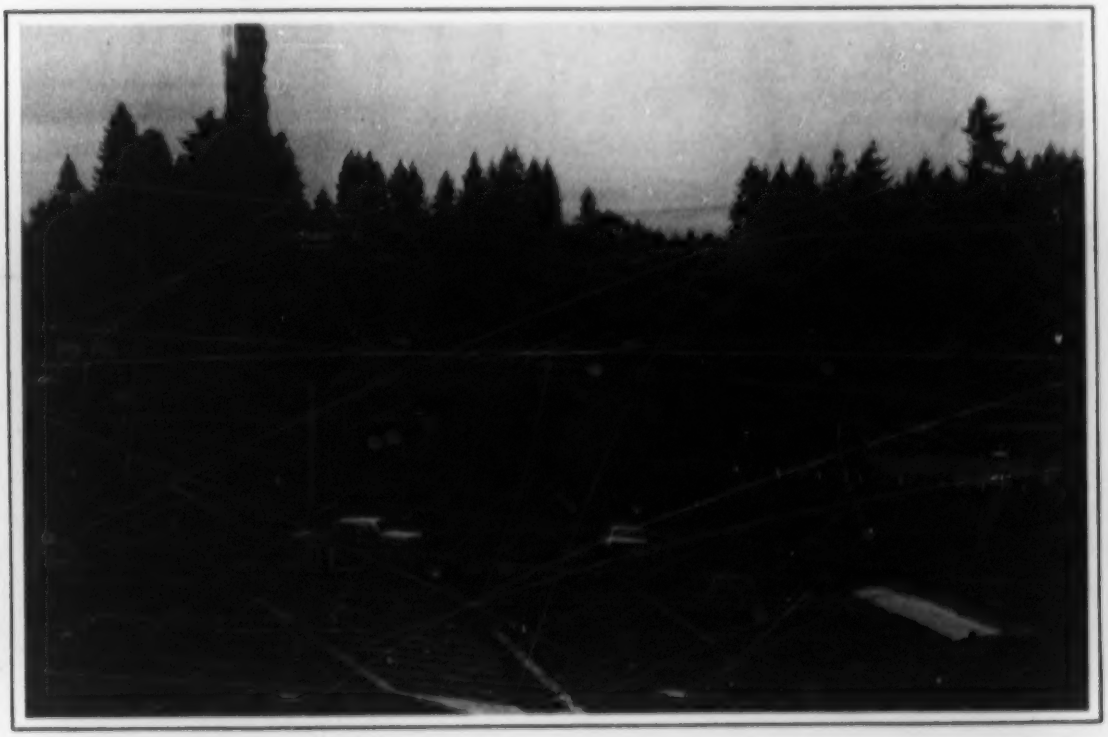
* Amounts displayed are net of depreciation where appropriate.

Comparative Schedule of General Fixed Assets*
By Source
June 30, 1988 and 1987
(expressed in thousands)

	1988	1987
General Fixed Assets:		
Land	$ 269,541	$ 279,518
Buildings	1,165,684	1,155,724
Furnishings and Equipment	269,761	239,281
Other Improvements/Miscellaneous	342,458	308,366
Construction in Progress	132,496	91,895
Total General Fixed Assets	$ 2,179,940	$ 2,074,784
Investment in General Fixed Assets by Source:		
General Fund	$ 815,093	$ 795,933
Special Revenue Funds	396,775	370,510
Capital Projects Funds	968,072	908,341
Total Investment in General Fixed Assets	$ 2,179,940	$ 2,074,784

* Amounts displayed are net of depreciation where appropriate.

McCleary



General Long-Term Obligations Account Group

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, rather than in the individual funds.

Schedule of Changes in General Long-Term Obligations
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	Bonds Payable	Workers' Compensation Benefits Payable	Accrued Retirement Costs	Installments and Leases Payable	Other Long-Term Obligations	Total General Long-Term Obligations
Balances at July 1, 1987	$ 2,908,702	$ 2,346,095	$	$ 20,725	$ 95,719	$ 5,371,241
Unrecorded excess of actuarially estimated unfunded employee pension costs over amounts recorded as expenditures in governmental fund types			575,900			575,900
Balances as Restated	2,908,702	2,346,095	575,900	20,725	95,719	5,947,141
General obligation debt issues	370,550					370,550
Actuarial increase in workers' compensation liability		818,286				818,286
Increase in installment contract obligations				9,093		9,093
Increase in lease obligations				6,880		6,880
Increase in compensated absences earned					9,810	9,810
Excess of actuarially determined accrued retirement costs over amounts recorded as expenditures in governmental fund types			105,250			105,250
Increase in other long-term obligations					964	964
Retirement of principal	(113,227)			(14,639)	(9,594)	(137,460)
Balances at June 30, 1988	$ 3,166,025	$ 3,164,381	$ 681,150	$ 22,059	$ 96,899	$ 7,130,514

Schedules

STATE OF WASHINGTON

Schedule of Revenues and Other Sources (Uses) - All Governmental Fund Types
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	GOVERNMENTAL FUND TYPES				TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	YEAR ENDED JUNE 30, 1988	YEAR ENDED JUNE 30, 1987
Taxes:						
Retail sales	$ 2,452,967	$	$	$	$ 2,452,967	$ 2,296,230
Business and occupation	897,550				897,550	776,631
Use (compensating)	176,413				176,413	167,081
Motor vehicle and fuel	3,126	431,960			435,086	446,021
Liquor, beer, and wine	70,695	9,231			79,926	80,451
Cigarette and tabacco	95,706	34,016			129,722	129,269
Insurance premiums	91,636				91,636	89,800
Public utility	161,764				161,764	162,112
Pari-mutuels and amusements	4,311	4,653			8,964	4,671
Property	617,741				617,741	580,492
Motor vehicle excise	280,276	40,105			320,381	295,539
Other excise	149,053	6,152			155,205	152,396
Gift and inheritance	18,845				18,845	22,175
Other taxes	89,695	7,173			96,868	98,050
Subtotal	5,109,778	533,290			5,643,068	5,300,918
Tax Credits:						
Business and occupation	(10,251)				(10,251)	(6,678)
Other tax credits	(1,144)				(1,144)	(2,841)
Total Taxes	5,098,383	533,290			5,631,673	5,291,399
Licenses, Permits, and Fees:						
Business and professions	32,153	5,076			37,229	31,772
Hunting and fishing	3,135	18,757			21,892	21,285
Motor vehicle	3,444	152,532			155,976	136,273
Motor vehicle operators	3,129	13,099			16,228	15,994
Other fees	12,572	44,090			56,662	54,169
Total Licenses, Permits, and Fees	54,433	233,554			287,987	259,493
Federal Grants-in-Aid:						
Health and human sevices	898,372	124,520			1,022,892	943,138
Department of labor	69,545	53,504			123,049	117,912
Department of agriculture	114,444	14,549			128,993	97,583
Department of transportation	2,890	347,672			350,562	346,207
Department of education	131,087	22,672	164		153,923	152,098
Other federal grants-in-aid	68,784	98,695			167,479	174,252
Total Federal Grants-in-Aid	1,285,122	661,612	164		1,946,898	1,831,190
Charges for Services:						
Tuition and student fees	141,486	46,433		14,699	202,618	188,308
Other charges	37,867	66,887			104,754	94,227
Total Charges for Services	179,353	113,320		14,699	307,372	282,535
Miscellaneous Revenue:						
Earnings on investments	28,943	44,579	6,900	1,285	81,707	81,744
Property and timber management	42,456	95,269	3	5,409	143,137	133,323
Fines and forfeitures	32,323	8,577			40,900	36,551
Contributions and grants	19,028	70,722		350	90,100	113,237
Other	12,560	52,612	3,218	479	68,869	51,832
Total Miscellaneous Revenue	135,310	271,759	10,121	7,523	424,713	416,687
Total Revenues	6,752,601	1,813,535	10,285	22,222	8,598,643	8,081,304
Other Financing Sources (Uses):						
Bond sale proceeds		146,500		224,050	370,550	281,260
Proceeds of refunding bonds						170,631
Payment to refunded bond escrow agent						(170,340)
Operating transfers in	350,650	113,480	370,401	31,613	866,144	642,337
Operating transfers out	(445,177)	(218,349)	(35,811)	(25,765)	(725,102)	(506,208)
Capital lease acquisitions	6,557	323			6,880	6,330
Total Other Financing Sources(Uses)	(87,970)	41,954	334,590	229,898	518,472	424,010
Total Revenues and Other Financing Sources (Uses)	$ 6,664,631	$ 1,855,489	$ 344,875	$ 252,120	$ 9,117,115	$ 8,505,314

STATE OF WASHINGTON

Schedule of Expenditures - All Governmental Fund Types
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	GOVERNMENTAL FUND TYPES				TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	YEAR ENDED JUNE 30, 1988	YEAR ENDED JUNE 30, 1987
BY FUNCTION						
General government	$ 403,389	$ 197,406	$ 327,666	$ 20,542	$ 949,003	$ 932,651
Human resources	2,490,042	82,820	.....	33,165	2,606,027	2,530,736
Natural resources	193,279	125,900	.....	27,840	347,019	354,863
Transportation	33,990	815,230	.....	4,513	853,733	860,822
Education	3,329,092	508,465	.....	98,260	3,935,817	3,700,638
Total Expenditures	$6,449,792	$1,729,821	$ 327,666	$ 184,320	$ 8,691,599	$ 8,379,710
BY OBJECT						
Salaries and wages:						
Higher education	$ 514,937	$ 213,211	$.....	$ 1,009	$ 729,157	$ 704,430
All other	659,727	272,136	.....	2,169	934,032	871,284
Total Salaries and Wages	1,174,664	485,347	.....	3,178	1,663,189	1,575,714
Personal services	24,145	20,050	.....	503	44,698	54,452
Goods and services	404,518	262,119	.....	9,713	676,350	631,569
Travel	26,908	25,982	.....	190	53,080	51,259
Employee benefits	259,067	97,249	.....	636	356,952	376,838
Grants and subsidies:						
K-12 basic education	2,534,680	21,455	.....	.....	2,556,135	2,367,390
Public assistance	1,846,747	156,069	.....	1,521	2,004,337	1,659,201
Other miscellaneous	102,122	150,174	.....	23,403	275,699	646,906
Total Grants and Subsidies	4,483,549	327,698	.....	24,924	4,836,171	4,673,497
Other charges and credits	6,142	4,409	.....	887	11,438	16,792
Capital outlays:						
Equipment	53,504	39,687	.....	2,618	95,809	113,053
All other	5,176	463,258	.....	141,269	609,703	575,190
Total Capital Outlays	58,680	502,945	.....	143,887	705,512	688,243
Debt Service:						
Principal	10,666	3,102	112,129	307	126,204	111,509
Interest	1,453	920	215,537	95	218,005	199,837
Total Debt Service	12,119	4,022	327,666	402	344,209	311,346
Total Expenditures	$6,449,792	$1,729,821	$ 327,666	$ 184,320	$ 8,691,599	$ 8,379,710

STATE OF WASHINGTON

Schedule of Refunded and Defeased Long-Term Debt
Governmental Debt Schedule
June 30, 1988
(expressed in thousands)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1988
County-City Urban Arterials "Series II"...	$ 25,405	$.....	$ 25,405	$ 1,070	$ 24,335
I-90 Highway Projects 1979 "Series CC"....	24,860	.....	24,860	490	24,370
Refunding Series 1984-B/CC-1.....	3,335	.....	3,335	.....	3,335
County-City Urban Arterials "Series AI"...	8,540	.....	8,540	.....	8,540
Urban Arterial Board, 1981 Series "III"...	16,670	.....	16,670	.....	16,670
State Highway Projects, 1981 "Series DD"..	87,795	.....	87,795	.....	87,795
Ferry System Vessels, 1977 'Series B".....	61,585	.....	61,585	3,030	58,555
Refunding Series 1984-B/B-3.....	13,340	.....	13,340	.....	13,340
Fisheries Capital Projects "Series AN"....	6,010	.....	6,010	885	5,125
Fisheries Facilities, 1979 "Series Y".....	2,560	.....	2,560	.....	2,560
Waste Disposal Facilities, 1972.....	83,715	.....	83,715	5,890	77,825
Waste Disposal Facilities 1980 "Series AJ"	93,865	.....	93,865	2,020	91,845
Comm. Coll. Construction 1979 "Series X"..	11,860	.....	11,860	850	11,010
Community Colleges 1981 "Series AK".....	6,910	.....	6,910	845	6,065
Capitol Campus Facilities 1975 "Series J".	3,275	.....	3,275	270	3,005
Higher Education 1979 "Series V".....	6,755	.....	6,755	275	6,480
Higher Education 1983 "Series AW".....	9,495	.....	9,495	.....	9,495
Higher Education 1981 "Series AP".....	7,095	.....	7,095	680	6,415
Salmon Enhancement 1977 "Series Q".....	3,515	.....	3,515	.....	3,515
Higher Education 1981 "Series AQ-A".....	23,295	.....	23,295	1,365	21,930
Higher Education Facilities "Series W"....	29,180	.....	29,180	1,300	27,880
Washington State Univ. 1977 "Series O"....	145	.....	145	.....	145
Fire Service Training Center "Series AE"..	700	.....	700	.....	700
Outdoor Rec. Areas/Facilities "Series AD".	6,585	.....	6,585	.....	6,585
Social & Health Services 1979 "Series AA".	84,720	.....	84,720	4,845	79,875
Jail Improvement 1979 "Series AB".....	30,505	.....	30,505	2,210	28,295
State Office Buildings "Series Z".....	7,005	.....	7,005	575	6,430
Outdoor Rec. Areas/Facilities "Series AG".	11,385	.....	11,385	270	11,115
Common School Plant Facilities "Series AC"	17,540	.....	17,540	515	17,025
Performing Arts Facilities "Series AH"....	1,415	.....	1,415	120	1,295
Handicapped Facilities 1979 "Series AI"...	18,665	.....	18,665	1,335	17,330
Water Supply Facilities 1979 "Series AF"..	9,335	.....	9,335	1,065	8,270
Public Water Supply Facilities "Series AM"	25,520	.....	25,520	680	24,840
State Buildings & Facilities "Series AO"..	10,420	.....	10,420	680	9,740
Social & Health Services 1981 "Series AL".	94,665	.....	94,665	3,410	91,255
Local Jail Improvement 1981 "Series AU"...	81,650	.....	81,650	.....	81,650
State Buildings & Facilities "Series AV"..	42,955	.....	42,955	.....	42,955
Fisheries Facilities 1983 "Series AX".....	990	.....	990	.....	990
Total Governmental	$ 973,260	$.....	$ 973,260	$ 34,675	$ 938,585
Total Retained in Escrow	$ 973,260	$.....	$ 973,260	$ 34,675	$ 938,585

NOTE: Secured by U.S. government obligations, excluded from debt totals.

STATE OF WASHINGTON

Schedule of Refunded and Defeased Long-Term Debt
Proprietary Debt Schedule
June 30, 1988
(expressed in thousands)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1988
State Board for Community Colleges:					
1972, Series A	$ 10,000	$	$ 10,000	$ 3,190	$ 6,810
Series C	10,000		10,000	3,005	6,995
Total State Board for Community Colleges	20,000		20,000	6,195	13,805
Eastern Washington University:					
1965, Series A	2,955		2,955	1,790	1,165
1972, Series C	2,600		2,600	1,270	1,330
1973, Series D	1,111		1,111	981	130
Total Eastern Washington University	6,666		6,666	4,041	2,625
Central Washington University:					
1966, Series A	2,900		2,900	1,740	1,160
1973, Series C	3,025		3,025	2,475	550
Total Central Washington University	5,925		5,925	4,215	1,710
Western Washington University:					
1965, Series A	3,850		3,850	2,325	1,525
1968, Series B	1,250		1,250	560	690
1973, Series D	4,720		4,720	1,815	2,905
Total Western Washington University	9,820		9,820	4,700	5,120
The Evergreen State College:					
1975, Series C	1,032		1,032		1,032
Total The Evergreen State College	1,032		1,032		1,032
Washington State University:					
1963, Series A	4,580		4,580	3,190	1,390
1966	2,875		2,875	1,760	1,115
1969, Series A	2,890		2,890	1,123	1,767
1969, Series B	2,855		2,855	1,720	1,135
1972, Series A	5,500		5,500	1,825	3,675
1974	750		750	365	385
Total Washington State University	19,450		19,450	9,983	9,467
University of Washington:					
1959, Series B	2,750		2,750	2,525	225
1960, Series C	2,000		2,000	1,750	250
1961, Series D	3,000		3,000	2,340	660
1962, Series E	3,000		3,000	2,340	660
1964, Series F	1,500		1,500	1,025	475
1965, Series G	5,250		5,250	3,495	1,755
1967, Series H	3,200		3,200	1,925	1,275
Series I	1,800		1,800	1,025	775
1969, Series J	4,000		4,000	1,560	2,440
1966, Parking System Revenue	2,500		2,500	1,230	1,270
1969, Parking System Revenue	3,500		3,500	1,090	2,410
Higher Education-UW Hospital "Series AQ/B"	39,815		39,815	950	38,865
Total University of Washington	72,315		72,315	21,255	51,060
Total Proprietary	$ 135,208	$	$ 135,208	$ 50,389	$ 84,819
Total Retained in Escrow	$ 135,208	$	$ 135,208	$ 50,389	$ 84,819

NOTE: Secured by U.S. government obligations, excluded from debt totals.

Detail of Bond Sale Proceeds
For the Fiscal Year Ended June 30, 1988
(expressed in thousands)

	Special Revenue Fund Type	Bond Type	Amount
051	State & Local Improvements Revolving Account.....	Capital-Waste Disposal Facilities.....	$ 3,000
055	State & Local Improvements Revolving Acct., 1980..	Capital-Waste Disposal Facilities.....	55,000
072	State & Local Improvements Revolving Account.....	Capital-Water Supply Facilities.....	8,000
108	Motor Vehicle Fund.....	Capital-State Highway Construction.....	70,500
112	Urban Arterial Trust Account.....	Capital-Road Construction (City & County)...	10,000
	Gross Bond Proceeds - Special Revenue Fund Type.....		146,500

	Capital Projects Fund Type		
01L	Higher Education Construction Account.....	Capital-Higher Education.....	13,000
056	State Higher Education Construction Account.....	Capital-Higher Education.....	35,000
057	State Building Construction Account.....	Capital-State Bldgs. & Facilities.....	143,050
067	Higher Education Reimbursement Bond Account.....	Capital-Higher Education.....	8,000
075	State Social & Health Services Construction Acct..	Capital-DSHS/Corrections Facilities.....	10,000
088	State Facilities Renewal Account.....	Capital-State Facilities Renewal.....	15,000
	Gross Bond Proceeds - Capital Projects Fund Type.....		224,050

Total Bond Proceeds - All Governmental Fund Types	$ 370,550

Washington

Statistical Section

STATE OF WASHINGTON

Expenditures - All Governmental Fund Types
Fiscal Years 1979 through 1988
(dollars in millions)

Table 1A

	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
BY FUNCTION										
General government.....	$ 949.0	$ 932.7	$ 902.0	$1,097.7	$ 918.4	$ 756.1	$ 522.5	$ 775.4	$ 750.7	$ 624.4
Human resources.....	2,606.0	2,530.7	2,203.5	2,153.8	1,959.7	1,718.0	1,518.7	1,593.7	1,329.8	1,083.1
Natural resources.....	347.0	354.9	320.3	277.2	248.9	226.4	218.0	208.8	186.2	184.1
Transportation.....	853.7	860.8	846.8	831.0	621.3	684.7	631.4	654.4	589.5	507.4
Education.....	3,935.8	3,700.6	3,432.1	3,230.8	2,985.0	2,941.0	2,863.1	2,590.1	2,172.4	1,899.9
Total by Function.....	$8,691.5	$8,379.7	$7,704.7	$7,590.5	$6,733.3	$6,326.2	$5,753.7	$5,822.4	$5,028.6	$4,298.9
BY OBJECT										
Salaries and wages.....	$1,663.1	$1,575.7	$1,488.5	$1,417.4	$1,317.5	$1,204.4	$1,179.2	$1,046.4	$1,051.4	$ 934.3
Personal service contracts	44.7	54.5	53.6	56.6	34.4	28.6	26.4	32.4	23.0	21.4
Goods and services.....	676.4	631.6	693.3	630.7	573.2	542.4	533.3	900.8	783.3	706.3
Travel.....	53.1	51.3	43.3	42.2	39.6	34.1	32.4	37.0	33.9	31.0
Employee benefits.....	356.9	376.8	355.0	314.8	287.4	265.5	243.0	227.6	193.7	174.4
Grants and subsidies.....	4,836.2	4,673.5	4,152.5	3,991.6	3,738.7	3,430.0	3,084.3	3,069.6	2,692.5	2,220.9
Debt service.....	344.2	311.3	296.1	442.0	250.3	196.7	176.4	136.1	129.1	122.7
Capital outlays.....	705.5	688.2	612.0	681.2	491.5	618.2	553.1	437.1	242.1	272.8
Other charges, credits...	11.4	16.8	10.4	14.0	0.7	6.3	(74.4)	(64.6)	(120.4)	(184.9)
Total by Object.....	$8,691.5	$8,379.7	$7,704.7	$7,590.5	$6,733.3	$6,326.2	$5,753.7	$5,822.4	$5,028.6	$4,298.9

Notes: Data for FY 1979 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
Data for FY 1982 to FY 1988 is per State of Washington Annual Financial Reporting System, GAAP Basis.

Revenues and Other Sources (Uses) - All Governmental Fund Types
Fiscal Years 1979 through 1988
(dollars in millions)

Table 1B

SOURCE	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
Taxes:										
Retail sales.....	$2,453.0	$2,296.2	$2,160.7	$2,009.7	$1,970.7	$1,655.1	$1,376.3	$1,163.4	$1,113.1	$1,001.6
Business and occupation	897.6	776.6	737.8	731.5	678.0	576.7	522.8	448.6	396.6	408.5
Compensating.....	176.4	167.1	165.7	178.2	148.9	120.3	106.3	97.8	94.5	99.6
Fuel.....	435.1	446.0	398.0	371.7	339.8	240.7	259.8	246.8	254.6	248.8
Alcoholic beverages....	79.9	80.1	81.3	81.8	84.7	85.7	80.8	77.8	63.5	65.4
Tobacco.....	129.7	129.3	107.3	97.4	99.0	104.5	94.2	80.3	65.0	65.2
Insurance premiums.....	91.6	89.8	76.3	63.1	54.8	52.0	45.4	59.2	42.1	39.0
Utility.....	161.8	162.1	163.7	151.6	129.6	164.5	139.5	107.5	106.0	86.5
Property.....	617.7	580.5	544.8	503.1	472.3	447.9	397.9	354.9	322.9	278.3
Excise.....	475.6	447.9	363.9	325.3	313.6	256.7	215.8	171.7	148.6	145.3
Gift and inheritance...	18.8	22.2	17.6	20.4	20.2	28.1	56.2	54.3	54.6	50.7
Other (less credits)...	94.5	93.6	87.1	72.7	4.6	32.3	19.6	87.5	78.6	66.4
Total Taxes.....	5,631.7	5,291.4	4,904.2	4,606.5	4,316.2	3,764.5	3,314.6	2,949.8	2,740.1	2,555.3
Licenses, permits, & fees	288.0	259.5	228.6	222.0	213.2	209.4	181.3	150.6	142.8	133.8
Federal grants-in-aid....	1,946.9	1,831.2	1,684.0	1,650.6	1,337.0	1,309.0	1,283.2	1,505.3	1,108.7	1,033.7
Charges and misc. revenue	650.3	617.5	595.5	543.2	511.2	446.7	432.1	663.8	672.8	678.0
Earnings on investments..	81.7	81.7	100.0	119.5	89.6	88.8	95.8	88.1	116.1	93.8
Total Revenues.....	8,598.6	8,081.3	7,512.3	7,141.8	6,467.2	5,818.4	5,307.0	5,357.6	4,780.5	4,494.6
Bond sale proceeds.....	370.6	281.5	304.6	325.7	439.1	237.1	391.1	239.1	144.4	93.6
Operating transfer in(out)	141.0	136.1	97.4	109.0	115.5	113.7	(47.2)	30.8	33.3	44.5
Capital lease acquisitions	6.9	6.4	1.6	11.7	2.7	2.9	.....	.....	.....	.....
Total Revenues and Other Sources (Uses).	$9,117.1	$8,505.3	$7,915.9	$7,588.2	$7,024.5	$6,172.1	$5,650.9	$5,627.5	$4,958.2	$4,625.4

Notes: Data for FY 1979 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
Data for FY 1982 to FY 1988 is per State of Washington Annual Financial Reporting System, GAAP Basis.
"....." indicates data not available.

STATE OF WASHINGTON

Expenditures - General Fund
Fiscal Years 1979 through 1988
(dollars in millions)

Table 2A

	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
BY FUNCTION										
General government	$ 403.4	$ 441.9	$ 439.5	$ 519.4	$ 538.0	$ 422.6	$ 231.4	$ 404.6	$ 392.2	$ 309.0
Human resources	2,490.0	2,401.5	2,078.2	1,952.4	1,762.1	1,602.6	1,418.1	1,461.1	1,254.3	1,012.1
Natural resources	193.3	195.9	174.8	144.8	123.1	169.9	169.7	120.2	102.2	95.6
Transportation	34.0	28.2	23.3	21.8	16.5	17.9	17.3	20.9	13.1	10.5
Education	3,329.1	3,125.5	2,946.1	2,671.5	2,512.8	2,378.3	2,337.6	1,992.2	1,770.3	1,483.1
Total by Function	$6,449.8	$6,193.0	$5,661.9	$5,309.9	$4,952.5	$4,591.3	$4,174.1	$3,999.0	$3,532.1	$2,910.3
BY OBJECT										
Salaries and wages	$1,174.7	$1,100.3	$1,040.5	$ 959.2	$ 903.2	$ 803.3	$ 796.2	$ 781.1	$ 730.7	$ 629.5
Personal service contracts	24.1	29.1	22.5	20.3	15.9	16.8	15.7	16.6	12.4	12.1
Goods and services	404.5	370.2	455.9	331.1	317.8	257.0	242.6	237.2	212.8	208.0
Travel	26.9	24.7	20.0	19.5	17.9	12.9	11.9	14.5	14.2	13.2
Employer benefits	259.1	263.6	252.1	220.1	198.2	171.2	146.7	139.3	124.0	108.5
Grants and subsidies	4,483.5	4,313.4	3,818.7	3,690.3	3,443.7	3,281.8	2,937.0	2,837.8	2,461.7	2,015.9
Capital outlays	58.7	73.8	40.6	55.0	41.7	45.0	31.3	61.5	36.8	44.3
Other charges, credits	18.3	17.9	11.6	14.4	14.1	3.3	(7.3)	(89.0)	(60.5)	(121.2)
Total by Object	$6,449.8	$6,193.0	$5,661.9	$5,309.9	$4,952.5	$4,591.3	$4,174.1	$3,999.0	$3,532.1	$2,910.3

Notes: Data for FY 1979 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
Data for FY 1982 to FY 1988 is per State of Washington Annual Financial Reporting System, GAAP Basis.

Revenues and Other Sources (Uses) - General Fund
Fiscal Years 1979 through 1988
(dollars in millions)

Table 2B

SOURCE	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
Taxes:										
Retail sales	$2,453.0	$2,296.2	$2,160.7	$1,968.8	$1,927.9	$1,610.7	$1,341.4	$1,125.5	$1,074.6	$ 966.2
Business and occupation	897.6	776.6	737.8	731.5	678.0	576.7	522.8	448.6	396.6	408.5
Compensating	176.4	167.1	165.7	178.2	148.9	120.3	106.3	97.8	94.4	99.6
Alcoholic beverages	70.7	71.3	72.2	73.2	75.7	76.6	70.8	67.1	55.1	56.9
Tobacco	95.7	95.7	96.6	97.4	99.0	104.4	94.2	80.3	62.6	62.8
Insurance premiums	91.6	89.8	76.3	63.1	54.8	52.0	45.4	59.2	42.1	39.0
Utility	161.8	157.4	163.7	151.6	129.6	164.5	139.5	107.6	106.0	86.5
Property	617.7	580.5	544.8	503.1	472.3	447.9	397.9	354.9	322.9	278.3
Excise	429.3	417.5	337.7	277.3	248.9	233.2	193.5	149.1	129.8	125.9
Gift and inheritance	18.8	22.2	17.6	20.4	20.2	28.1	56.2	54.3	54.6	50.7
Other (less credits)	85.8	95.9	85.4	71.0	1.2	32.7	19.9	84.7	77.8	65.3
Total Taxes	5,098.4	4,770.2	4,458.5	4,135.6	3,856.5	3,447.1	2,987.9	2,629.1	2,416.5	2,239.7
Licenses, permits, & fees	54.4	49.5	40.8	37.9	36.3	34.2	30.0	25.3	21.7	21.9
Federal grants-in-aid	1,285.1	1,188.9	1,038.3	1,005.1	832.0	761.9	758.4	893.6	613.3	609.7
Charges and misc. revenue	285.8	282.0	249.3	215.3	217.6	182.1	184.5	270.1	152.0	143.1
Earnings on investments	28.9	29.1	25.2	32.2	31.5	26.3	28.4	18.2	54.0	40.4
Total Revenues	6,752.6	6,319.7	5,812.1	5,426.1	4,973.9	4,451.6	3,989.2	3,836.3	3,257.5	3,054.8
Operating transfer in(out)	(94.5)	(69.0)	(68.3)	39.8	29.9	40.7	(8.4)	20.5	27.2	51.2
Capital lease acquisitions	6.5	5.3	1.5	4.6	1.2	.....	.....	.....	.....	.....
Total Revenues and Other Sources (Uses)	$6,664.6	$6,256.0	$5,745.3	$5,470.5	$5,005.0	$4,492.3	$3,980.8	$3,856.8	$3,284.7	$3,106.0

Notes: Data for FY 1979 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
Data for FY 1982 to FY 1988 is per State of Washington Annual Financial Reporting System, GAAP Basis.
"....." indicates data not available.

STATE OF WASHINGTON

Property Tax Levies and Collections
Calendar Years 1978 through 1987
(dollars in millions)

Table 3A

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Total property tax levies.....	$2,042	$1,784	$1,678	$1,509	$1,434	$1,243	$1,129	$1,007	$1,064	$1,002
Current tax collections.....	$1,945	$1,693	$1,591	$1,438	$1,369	$1,180	$1,062	$947	$1,010	$958
Delinquent tax collections.....	83	72	65	62	77	65	59	44	56	40
Total Tax Collections.....	$2,028	$1,765	$1,656	$1,500	$1,446	$1,245	$1,121	$991	$1,066	$998
Outstanding delinquent taxes.....	$163	$153	$134	$116	$111	$125	$126	$118	$102	$96
Percent of current taxes collected..	95.2%	94.9%	94.8%	95.3%	95.5%	94.9%	94.1%	94.0%	94.9%	95.6%
Ratio of total tax collections to tax levy.....	99.3%	98.9%	98.7%	99.4%	100.8%	100.2%	99.3%	98.4%	100.2%	99.6%
Ratio of delinquent taxes to total tax levy.....	8.0%	8.6%	8.0%	7.7%	7.7%	10.1%	11.2%	11.7%	9.6%	9.6%

Source: Tax Statistics, Washington State Department of Revenue.

Assessed and Estimated Actual Value of Property
Calendar Years 1978 through 1987
(dollars in millions)

Table 3B

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Real Property										
Assessed value.....	$145,659	$142,627	$136,467	$132,488	$125,661	$120,483	$102,588	$.....	$.....	$.....
Estimated actual value.....	153,129	148,691	143,611	140,580	135,255	133,106	122,859	.....	.....	.....
Personal Property										
Assessed value.....	16,579	16,103	16,117	15,709	15,106	22,921	20,712	.....	.....	.....
Estimated actual value.....	17,169	16,560	16,736	16,415	15,744	23,787	21,607	.....	.....	.....
Total										
Assessed value.....	162,238	158,730	152,584	148,197	140,767	143,404	123,300	109,881	77,686	66,583
Estimated actual value.....	170,298	165,251	160,347	156,995	150,999	156,893	144,466	127,698	103,916	84,505
Ratio of total assessed value to Total estimated actual value....	95.3%	96.1%	95.2%	94.4%	93.2%	91.4%	85.3%	86.0%	74.8%	78.8%

Note: "....." indicates data not available.

Source: Tax Statistics, Washington State Department of Revenue.

Property Tax Levies
Overlapping Governments
Calendar Years 1978 through 1987
(dollars in millions)

Table 3C

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
State.....	$595	$561	$525	$477	$441	$405	$371	$336	$305	$251
Local school districts.....	537	403	410	361	361	278	246	227	365	400
Counties.....	386	354	325	302	281	256	234	211	186	170
Cities and towns.....	280	248	222	198	190	168	156	137	127	115
Other districts.....	244	218	196	171	161	135	122	96	81	66
Total Property Tax Levies.....	$2,042	$1,784	$1,678	$1,509	$1,434	$1,242	$1,129	$1,007	$1,064	$1,002

Source: Tax Statistics, Washington State Department of Revenue.

STATE OF WASHINGTON

Property Value and Construction
Calendar Years 1978 through 1987
(dollars in millions)

Table 4A

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Property Value:										
Assessed value	$162,238	$158,730	$152,584	$148,197	$140,767	$143,404	$123,300	$109,881	$ 77,686	$ 66,583
Exemptions:										
Senior citizen	$ 1,393	$ 1,437	$ 1,469	$ 1,426	$ 1,231	$ 852	$ 966	$ 943	$ 947	$ 346
Head of household	7	8	9	10	14	15	16	17	17	17
Total Exemptions	$ 1,400	$ 1,445	$ 1,478	$ 1,436	$ 1,245	$ 867	$ 982	$ 960	$ 964	$ 363
New Construction:										
Value	$ 3,687	$ 3,724	$ 3,162	$ 3,303	$ 2,580	$ 3,603	$ 3,489	$ 3,933	$ 3,574	$ 2,828

Source: Tax Statistics, Washington State Department of Revenue.

Residential Building Activity
Calendar Years 1978 through 1987
(dollars in millions)

Table 4B

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Residential Building Activity:										
Permits	38,341	36,434	35,474	30,391	27,248	17,559	24,384	33,043	51,566	61,557
Valuations	$2,224	$2,043	$1,794	$1,556	$1,537	$860	$1,160	$1,373	$1,923	$2,123

Source: U.S. Department of Commerce, Bureau of the Census.

Principal Taxpayers
For the Fiscal Year Ended June 30, 1988
(dollars in millions)

Table 4C

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
The Boeing Company	Aerospace	$2,091	1.29%
Pacific Northwest Bell	Telecommunications	1,727	1.06%
Puget Sound Power and Light	Public Utility	907	0.56%
Weyerhaeuser Company	Wood Products	722	0.45%
General Telephone Company	Telecommunications	565	0.35%
Martin Selig Real Estate	Real Estate	460	0.28%
James River of Nevada	Paper Mill	429	0.26%
Longview Fibre	Paper and Pulp	387	0.24%
Boise Cascade	Paper Mill	374	0.23%
Burlington Northern	Rail Transportation	352	0.22%
Totals		$8,014	4.94%

Note: As of December 1987, the Total Assessed Property Valuation for Washington State was $162,238 million; taxes are due in 1988.

Source: Information from twenty five of the thirty nine counties in the state of Washington, including the top ten counties.

Accrued State Retail Sales Tax*
Calendar Years 1978 through 1987
(dollars in millions)

Table 5A

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Sales Subject to Retail Sales Tax:										
Gross	$51,988	$48,498	$47,181	$44,204	$40,171	$38,947	$41,150	$40,551	$35,669	$30,083
Taxable	35,798	33,902	31,272	30,346	29,040	27,597	25,737	24,405	23,672	22,037
Accrued State Retail Sales Tax*	2,327	2,204	2,033	1,957	1,826	1,496	1,177	1,098	1,076	1,014

*State tax only, excludes accrued local sales tax revenues.

Source: Quarterly Business Review, Washington State Department of Revenue.

Computation of Legal Debt Margin
June 30, 1988
(dollars in millions)

Table 5B

Three year mean, general state revenues	$ 3,741
Legal Debt Margin:	
Debt service limitation (7 percent of above)	$ 261
Less: Projected maximum annual debt service of outstanding bonds (Schedule 2A)	212
Uncommitted Portion of Debt Service Limitation	$ 49
Remaining state general obligation debt capacity	$ 462
Plus - Debt outstanding	1,987
Maximum Debt Authorization Subject to Limitation	$ 2,449

Source: Office of the State Treasurer - Certification of Statutory Limitation on the Bonded Debt of the State of Washington for Fiscal Year 1988.

Domestic Financial Institutions Deposits
Calendar Years 1978 through 1987
(dollars in millions)

Table 5C

Financial Institutions	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
National Banks (1)	$21,536	$21,859	$21,326	$18,224	$16,850	$16,284	$16,269	$17,302	$14,721	$12,160
Percent change	(1.5)	2.5	17.0	8.2	3.5	0.1	(6.0)	17.5	21.1	15.2
State Chartered Banking Institutions (2):										
Commercial Banks	$4,138	$4,074	$3,778	$3,881	$3,564	$3,028	$2,788	$2,741	$2,637	$2,294
Percent change	1.6	7.8	(2.7)	8.9	17.7	8.6	1.7	3.9	15.0	20.0
Mutual Savings Banks	$5,972	$4,873	$4,089	$4,796	$4,537	$3,601	$3,905	$4,060	$3,867	$3,635
Percent change	22.6	19.2	(14.7)	5.7	26.0	(7.8)	(3.8)	5.0	6.4	5.8
Branches of Foreign Banks	$791	$843	$499	$563	$630	$466	$412	$322	$419	$362
Percent change	(6.2)	68.9	(11.4)	(10.6)	35.2	13.1	28.0	(23.2)	15.7	39.8
Federal Chartered Credit Unions (3)	$1,465	$1,257	$1,070	$1,061	$850	$740	$650	$644	$599	$561
Percent change	16.5	17.5	0.8	24.8	14.9	13.8	0.9	7.5	6.8	17.1
Federal Chartered Home Loan Banks (4)	$9,506	$9,891	$9,704	$9,111	$8,330	$7,000	$5,700	$5,700	$5,400	$5,100
Percent change	(3.9)	1.9	6.5	9.4	19.0	22.8	0.0	5.6	5.9	10.9
State Chartered Credit Unions (5)	$3,184	$2,983	$2,265	$1,673	$1,556	$1,287	$1,062	$1,036	$906	$899
Percent change	6.7	31.7	35.4	7.5	20.9	21.2	2.5	14.3	0.8	15.3
State Chartered Savings and Loan Assns. (5)	$2,222	$2,091	$1,919	$1,482	$1,374	$1,251	$1,674	$1,741	$1,598	$1,421
Percent change	6.3	9.0	29.5	7.9	9.8	(25.3)	(3.8)	8.9	12.5	14.6

Sources: (1) Comptroller of the Currency, Washington D.C.
(2) Washington State Department of General Administration, Division of Banking and Consumer Finance.
(3) Washington Credit Union League, Seattle, Washington.
(4) Federal Home Loan Bank, Seattle, Washington.
(5) Washington State Department of General Administration, Division of Savings and Loan Associations.

Ratio of Net General and Limited Obligation Bonded Debt To Assessed Value and Net General and Limited Obligation Bonded Debt Per Capita Fiscal Years 1982 through 1988

Table 6A

	1988	1987	1986	1985	1984	1983	1982
Population (in thousands)	4,565	4,481	4,420	4,384	4,328	4,285	4,264
Assessed Value (in millions)	$171,165	$162,238	$158,730	$152,584	$148,197	$140,767	$143,404
Net Bonded Debt (in millions):							
Gross Bonded Debt	$3,166	$2,909	$2,705	$2,398	$2,282	$2,007	$1,675
Less:							
Debt Service Fund	85	68	65	56	61	54	66
Net Bonded Debt	$3,081	$2,841	$2,640	$2,342	$2,221	$1,953	$1,609
Ratio of Net Bonded Debt to Assessed Value	1.80%	1.75%	1.66%	1.53%	1.50%	1.39%	1.12%
Net Bonded Debt Per Capita	$675	$634	$597	$534	$513	$456	$377

Note: GAAP financial statements have only been issued by Washington State since 1982; data reported is limited to that time period.

Selected Financial Ratios Calendar Years 1978 through 1987

Table 6B

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
State bond debt per capita	$715	$684	$615	$580	$527	$439	$357	$318	$333	$320
State bond debt/percent of personal income	4.57%	4.52%	4.34%	4.30%	4.14%	3.63%	3.17%	3.09%	3.50%	3.73%
Total debt service/percent of personal income	0.48%	0.46%	0.56%	0.81%	0.39%	1.16%	0.53%	0.29%	0.32%	0.34%
State bond debt/percent of market value of taxable property	1.88%	1.83%	1.68%	1.60%	1.50%	1.19%	1.04%	1.03%	1.27%	1.45%
Factors:										
Population (thousands)(1)	4,481	4,420	4,384	4,328	4,285	4,264	4,227	4,132	3,979	3,836
Personal income (in millions) (2)	$70,091	$66,849	$62,191	$58,416	$54,587	$51,548	$47,600	$42,510	$37,878	$32,913
Total debt service (in millions) (3)	$334	$308	$350	$475	$213	$599	$252	$125	$120	$112
Market value of taxable property (in millions)(4)	$170,298	$165,251	$160,347	$156,995	150,999	$156,893	$144,466	$127,698	$103,916	$ 84,505
State bond debt (in millions) (3)	$3,205	$3,022	$2,696	$ 11	$2,259	$1,870	$1,509	$1,312	$1,324	$1,227

Note: Inventory removed from tax base in 1983.

Sources: (1) Washington State Office of Financial Management, 1988 Population Trends for Washington State.
(2) Office of the Forecast Council, June 1988.
(3) Washington Office of State Treasurer, February 1988.
(4) Washington State Department of Revenue.

STATE OF WASHINGTON

Ratio of Annual Debt Service to Expenditures
All Governmental Fund Types
Fiscal Years 1979 through 1988
(dollars in millions)

Table 7A

	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
Principal	$ 126.2	$ 111.5	$ 86.8	$ 86.4	$ 73.2	$ 60.9	$ 57.3	$ 54.6	$ 52.2	$ 49.4
Interest	218.0	199.8	209.5	193.8	177.1	135.8	119.1	81.5	76.9	73.3
Total Debt Service (1)(2)	$ 344.2	$ 311.3	$ 296.3	$ 280.2	$ 250.3	$ 196.7	$ 176.4	$ 136.1	$ 129.1	$ 122.7
Total Governmental Funds Expenditures (1)(2)(3)	$8,691.5	$8,379.7	$7,704.7	$7,590.5	$6,733.3	$6,326.2	$5,753.7	$5,822.4	$5,028.6	$4,298.9
Ratio Debt Service to Governmental Funds Expenditures	4.0	3.7	3.8	3.7	3.7	3.1	3.1	2.3	2.6	2.9

Notes: (1) Excludes $161.8 for refunding of bonds in FY 1985.
(2) Excludes $812.7 for refunding of bonds in FY 1986.
(3) Excludes $170.3 for refunding of bonds in FY 1987.

Revenue Bond Coverage
Fiscal Years 1985 through 1988
(dollars in millions)

Table 7B

	1988	1987	1986	1985
Gross Revenues	$ 1,301	$ 1,182	$ 1,191	$ 1,008
Operating Expenses	1,501	1,135	1,160	1,284
Net Revenue Available for Debt Service	$ (200)	$ 47	$ 31	$ (276)
Debt Service Requirements:				
Principal	$ 7	$ 7	$ 1.5	$ 1.3
Interest	21	19	27	20
Total Debt Service Requirements	$ 28	$ 26	$ 29	$ 21
Coverage Ratio	(7.14)	1.81	1.09	(12.96)

Note: CAFR's have only been issued by Washington State since 1985; data reported is limited to that time period.

Source: Washington State Office of the Treasurer.

STATE OF WASHINGTON

Total Resident Population and Components of Change
Calendar Years 1979 through 1988
(figures in thousands)

Table 8A

	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
Population	4,565.0	4,481.1	4,419.7	4,384.1	4,328.1	4,285.1	4,264.0	4,226.6	4,132.4	3,979.2
Population change:										
Number.....	83.9	61.4	35.6	56.0	43.0	21.1	37.4	94.4	153.0	143.0
Percent.....	1.8	1.4	0.8	1.3	1.0	0.5	0.9	2.3	3.8	3.7
Births number.....	70.8	69.3	70.2	69.1	68.5	69.5	70.1	68.2	65.4	60.2
Deaths number.....	35.3	34.4	34.0	34.0	33.2	32.5	31.7	31.8	31.3	30.2
Net migration number.....	48.5	26.5	(0.6)	20.9	7.8	(15.8)	(0.9)	58.1	119.0	113.0

Notes: The 1981 estimate for the State was recalculated using 1980 population counts by age which were not available in the spring of 1981.
Births, deaths, and migration year figures are April through March.
Population figures are as of April 1 of each year.
Birth and death figures are estimated for the year 1988.

Source: Washington State Office of Financial Management, 1988 Population Trends for Washington State.

Employment Comparison
Washington vs. United States
Calendar Years 1978 through 1987
(figures in thousands)

Table 8B

Total Civilian	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Labor Force:										
Washington State.....	2,254	2,198	2,086	2,050	2,067	2,024	1,997	1,985	1,937	1,808
Percent change.....	2.5	5.4	1.8	(0.8)	2.1	1.4	0.6	2.5	7.1	6.9
United States.....	119,800	117,800	115,464	113,531	111,518	110,246	108,671	106,973	104,961	102,233
Percent change.....	1.7	2.0	1.7	1.8	1.2	1.4	1.6	1.9	2.7	3.3
Employment:										
Washington State.....	2,083	2,018	1,917	1,857	1,838	1,779	1,806	1,828	1,806	1,684
Percent change.....	3.2	5.3	3.2	1.0	3.3	(1.5)	(1.2)	1.2	7.2	9.1
United States.....	112,400	109,600	107,154	105,005	100,824	99,531	100,396	99,303	98,825	96,046
Percent change.....	2.6	2.3	2.0	4.1	1.3	(0.9)	1.1	0.5	2.9	4.4

Sources: Washington State Department of Employment Security.
U.S. Department of Labor, Bureau of Labor Statistics.
Washington State Department of Revenue.

STATE OF WASHINGTON

Labor Force and Employment by Sector
Calendar Years 1978 through 1987
(figures in thousands)

Table 9A

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
RESIDENT CIVILIAN LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE (1)										
Civilian labor force.....	2,253.7	2,197.8	2,086.3	2,050.2	2,068.6	2,024.3	1,996.6	1,984.8	1,937.0	1,808.2
Unemployment.....	170.9	180.2	169.6	193.7	230.5	245.7	190.5	156.5	131.1	124.2
Total Employment.....	2,082.8	2,017.6	1,916.7	1,856.5	1,838.1	1,778.6	1,806.1	1,828.3	1,805.9	1,684.0
Unemployment percentage rate.....	7.6%	8.2%	8.1%	9.4%	11.1%	12.1%	9.5%	7.9%	6.8%	6.9%
NONAGRICULTURAL WAGE AND SALARY WORKERS EMPLOYED IN WASHINGTON STATE										
Manufacturing:										
Food processing.....	31.9	31.1	31.1	30.8	31.1	31.8	31.7	32.0	32.9	32.8
Lumber and wood.....	40.0	38.4	38.3	41.3	42.2	39.4	44.4	47.0	53.9	55.1
Paper and pulp.....	16.5	16.7	16.7	16.2	15.8	16.1	17.2	17.6	15.9	14.0
Chemicals.....	11.5	11.5	11.3	10.5	10.1	9.5	9.2	8.7	8.6	7.9
Metals and machinery...	50.9	51.9	51.6	51.6	47.6	50.8	53.5	54.6	54.0	49.0
Aerospace.....	92.7	84.9	76.1	66.6	65.0	74.9	79.0	79.6	72.6	59.8
Other transportation equipment.....	13.2	12.6	13.5	15.6	15.2	17.2	18.4	18.7	21.0	20.0
Other manufacturing....	60.0	57.9	56.9	55.5	51.4	49.3	49.8	50.6	50.7	46.2
Total Manufacturing..	316.7	305.0	295.5	288.1	278.4	289.0	303.2	308.8	309.6	284.8
Nonmanufacturing:										
Construction.....	87.3	84.4	80.4	79.5	74.1	76.4	90.4	92.9	104.2	92.6
Transportation, communications & utilities	98.4	96.2	93.6	91.2	87.9	89.0	90.1	91.4	89.4	83.8
Trade.....	453.0	436.4	420.6	411.5	393.8	385.4	388.2	381.4	379.1	357.8
Finance, insurance, and real estate.....	107.0	104.9	99.6	95.7	92.3	90.7	92.3	91.8	89.4	83.3
Services and misc. (2).	421.5	393.8	377.7	359.2	335.5	319.9	321.4	311.7	293.8	275.2
State and local govt...	285.1	279.8	272.8	265.7	256.4	252.2	259.9	263.0	250.7	244.5
Federal civilian govt..	70.5	69.2	70.1	68.9	67.6	66.3	66.5	67.9	64.7	63.6
Total Nonmanufact'g..	1,522.8	1,464.7	1,414.8	1,371.7	1,307.6	1,279.9	1,308.8	1,300.1	1,271.3	1,200.8
Total Wage and Salary Workers...	1,839.5	1,769.7	1,710.3	1,659.8	1,586.0	1,568.9	1,612.0	1,608.9	1,580.9	1,485.6

Notes: Figures may not total due to rounding.
(1) Average of Monthly Data.
(2) Includes Mining and Quarrying.

Source: Washington State Department of Revenue.

Average Annual Wage Rates
Calendar Years 1978 through 1987

Table 9B

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Construction.....	$23,498	$23,632	$22,771	$22,958	$23,865	$25,384	$24,531	$22,048	$19,902	$18,015
Finance, insurance and real estate.....	25,674	24,424	22,565	21,104	20,419	19,049	16,752	15,328	14,081	12,889
Federal government.....	26,315	25,547	25,445	24,850	24,577	22,754	21,213	19,662	18,881	17,456
State and local govt.....	20,413	19,603	19,019	18,012	17,333	16,769	15,778	14,273	13,138	11,721
Mining.....	32,162	30,692	29,195	28,359	26,617	25,921	23,858	22,059	20,708	18,564
Transportation, communications and utilities..	27,872	27,492	27,063	26,585	26,145	24,487	23,212	21,036	19,452	17,975
Services.....	17,631	17,266	16,469	15,875	15,563	15,121	14,459	13,197	11,994	10,871
Retail trade.....	12,595	12,459	12,177	11,808	11,646	11,179	10,608	9,938	9,335	8,722
Wholesale trade.....	25,280	25,142	24,064	23,226	22,126	21,456	20,516	18,992	17,231	15,674

Source: Washington State Department of Revenue.

STATE OF WASHINGTON

Labor Force and Employment by Sector
Calendar Years 1978 through 1987
(figures in thousands)

Table 9A

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
RESIDENT CIVILIAN LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE (1)										
Civilian labor force.....	2,253.7	2,197.8	2,086.3	2,050.2	2,068.6	2,024.3	1,996.6	1,984.8	1,937.0	1,808.2
Unemployment.....	170.9	180.2	169.6	193.7	230.5	245.7	190.5	156.5	131.1	124.2
Total Employment.....	2,082.8	2,017.6	1,916.7	1,856.5	1,838.1	1,778.6	1,806.1	1,828.3	1,805.9	1,684.0
Unemployment percentage rate.....	7.6%	8.2%	8.1%	9.4%	11.1%	12.1%	9.5%	7.9%	6.8%	6.9%
NONAGRICULTURAL WAGE AND SALARY WORKERS EMPLOYED IN WASHINGTON STATE										
Manufacturing:										
Food processing.....	31.9	31.1	31.1	30.8	31.1	31.8	31.7	32.0	32.9	32.8
Lumber and wood.....	40.0	38.4	38.3	41.3	42.2	39.4	44.4	47.0	53.9	55.1
Paper and pulp.....	16.5	16.7	16.7	16.2	15.8	16.1	17.2	17.6	15.9	14.0
Chemicals.....	11.5	11.5	11.3	10.5	10.1	9.5	9.2	8.7	8.6	7.9
Metals and machinery...	50.9	51.9	51.6	51.6	47.6	50.8	53.5	54.6	54.0	49.0
Aerospace.....	92.7	84.9	76.1	66.6	65.0	74.9	79.0	79.6	72.6	59.8
Other transportation equipment.....	13.2	12.6	13.5	15.6	15.2	17.2	18.4	18.7	21.0	20.0
Other manufacturing....	60.0	57.9	56.9	55.5	51.4	49.3	49.8	50.6	50.7	46.2
Total Manufacturing..	316.7	305.0	295.5	288.1	278.4	289.0	303.2	308.8	309.6	284.8
Nonmanufacturing:										
Construction.....	87.3	84.4	80.4	79.5	74.1	76.4	90.4	92.9	104.2	92.6
Transportation, communications & utilities	98.4	96.2	93.6	91.2	87.9	89.0	90.1	91.4	89.4	83.8
Trade.....	453.0	436.4	420.6	411.5	393.8	385.4	388.2	381.4	379.1	357.8
Finance, insurance, and real estate.....	107.0	104.9	99.6	95.7	92.3	90.7	92.3	91.8	89.4	83.3
Services and misc. (2).	421.5	393.8	377.7	359.2	335.5	319.9	321.4	311.7	293.8	275.2
State and local govt...	285.1	279.8	272.8	265.7	256.4	252.2	259.9	263.0	250.7	244.5
Federal civilian govt..	70.5	69.2	70.1	68.9	67.6	66.3	66.5	67.9	64.7	63.6
Total Nonmanufact'g..	1,522.8	1,464.7	1,414.8	1,371.7	1,307.6	1,279.9	1,308.8	1,300.1	1,271.3	1,200.8
Total Wage and Salary Workers...	1,839.5	1,769.7	1,710.3	1,659.8	1,586.0	1,568.9	1,612.0	1,608.9	1,580.9	1,485.6

Notes: Figures may not total due to rounding.
(1) Average of Monthly Data.
(2) Includes Mining and Quarrying.

Source: Washington State Department of Revenue.

Average Annual Wage Rates
Calendar Years 1978 through 1987

Table 9B

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Construction.....	$23,498	$23,632	$22,771	$22,958	$23,865	$25,384	$24,531	$22,048	$19,902	$18,015
Finance, insurance and real estate.....	25,674	24,424	22,565	21,104	20,419	19,049	16,752	15,328	14,081	12,889
Federal government.....	26,315	25,547	25,445	24,850	24,577	22,754	21,213	19,662	18,881	17,456
State and local govt.....	20,413	19,603	19,019	18,012	17,333	16,769	15,778	14,273	13,138	11,721
Mining.....	32,162	30,692	29,195	28,359	26,617	25,921	23,858	22,059	20,788	18,564
Transportation, communications and utilities..	27,872	27,492	27,063	26,585	26,145	24,487	23,212	21,036	19,452	17,975
Services.....	17,631	17,266	16,469	15,875	15,563	15,121	14,459	13,197	11,994	10,871
Retail trade.....	12,595	12,459	12,177	11,808	11,646	11,179	10,608	9,938	9,335	8,722
Wholesale trade.....	25,280	25,142	24,064	23,226	22,126	21,456	20,516	18,992	17,231	15,674

Source: Washington State Department of Revenue.

STATE OF WASHINGTON

Personal Income Comparison Washington vs. United States Calendar Years 1978 through 1987 (dollars in billions)

Table 10A

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
CURRENT DOLLARS										
Washington										
Amount	70.1	66.8	62.2	58.4	54.6	51.4	49.3	44.6	39.5	34.3
Percent change	4.8	7.5	6.5	7.0	6.2	4.3	10.5	12.9	15.3	17.5
United States										
Amount	3,746.5	3,534.3	3,327.1	3,108.8	2,838.6	2,670.8	2,520.9	2,258.5	2,034.0	1,812.4
Percent change	6.0	6.2	7.0	9.5	6.3	5.9	11.6	11.0	12.2	12.7
1982 CONSTANT DOLLARS										
Washington										
Amount	59.0	58.5	55.7	54.1	52.4	51.4	52.1	51.5	50.5	47.9
Percent change	0.8	5.1	2.9	3.1	2.0	(1.3)	1.2	1.8	5.5	9.6
United States										
Amount	3,152.6	3,093.5	2,977.2	2,877.3	2,726.6	2,671.1	2,664.5	2,607.7	2,602.6	2,533.1
Percent change	1.9	3.9	3.5	5.5	2.1	0.2	2.2	0.2	2.7	5.1

Source: Washington State Department of Revenue.

Personal Income by Component Calendar Years 1978 through 1987 (dollars in billions)

Table 10B

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Total personal income	70.1	66.8	62.2	58.4	54.6	51.4	49.3	44.6	39.5	34.3
Percent change	4.8	7.5	6.5	7.0	6.2	4.3	10.5	12.9	15.3	17.5
Total earnings	50.2	47.9	44.1	41.5	38.8	36.8	35.9	33.4	30.3	26.3
Percent change	4.8	8.6	6.3	6.9	5.5	2.4	7.6	10.1	15.1	18.0
Wages and salaries	40.7	38.7	36.0	33.7	31.5	30.4	29.5	26.9	24.3	20.9
Percent change	5.2	7.6	6.7	7.1	3.6	3.0	9.6	10.8	16.5	17.2
Other labor income	3.5	3.4	3.2	3.0	2.9	2.8	2.6	2.4	2.0	1.7
Percent change	2.7	7.7	4.9	3.6	4.2	8.2	9.8	16.6	17.3	20.8
Farm proprietor's income	0.9	1.1	0.7	0.9	0.9	0.6	0.8	0.7	0.6	0.7
Percent change	(15.9)	51.6	(19.8)	(4.7)	46.1	(16.9)	4.8	18.0	(5.5)	48.7
Nonfarm proprietor's income	5.1	4.7	4.2	3.8	3.4	2.9	3.0	3.3	3.4	3.1
Percent change	8.0	11.0	10.7	11.9	17.8	(3.5)	(10.1)	(0.6)	8.8	17.2
Less: Personal contributions for social insurance	3.0	2.8	2.6	2.3	2.2	2.0	1.9	1.6	1.5	1.2
Percent change	5.4	8.7	11.2	8.3	6.7	7.2	16.6	11.0	16.9	8.8
Plus: Residence adjustment	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3
Percent change	3.4	(11.5)	7.2	(4.3)	10.2	(1.8)	(0.8)	18.0	20.6	18.6
Dividends, interest, and rent	11.7	11.2	10.5	9.9	9.0	8.3	7.8	6.3	5.3	4.4
Percent change	4.6	6.1	6.5	9.8	8.0	7.2	23.9	19.1	19.2	20.8
Transfer payments	10.8	10.2	9.7	9.0	8.6	8.0	7.1	6.2	5.0	4.5
Percent change	5.3	5.1	8.1	5.3	7.4	12.2	15.4	22.3	12.3	9.1

Note: Figures may not total due to rounding.

Source: Washington State Department of Revenue.

STATE OF WASHINGTON

Full-Time Equivalent Staff Comparison
Allotted Funds
Fiscal Years 1979 through 1988

Table 11A

Function	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
General government.....	6,555	6,239	5,960	5,839	5,654	5,568	5,458	5,685	5,444	5,272
Human resources.....	23,263	22,649	21,741	21,111	20,487	19,147	18,772	18,838	18,330	17,508
Natural resources and recreation.....	5,080	4,883	4,781	4,657	4,330	4,058	4,220	4,589	4,486	4,427
Transportation.....	8,576	8,655	8,545	8,489	7,951	7,640	7,721	7,926	8,128	7,948
Education.....	30,538	29,876	28,920	28,551	27,991	27,446	28,098	29,537	28,958	28,392
Total Regular.....	74,012	72,302	69,947	68,647	66,413	63,859	64,269	66,575	65,346	63,547
Special employment programs.....	0	0	341	331	310	352	446	1,554	1,481	1,532
Total State.....	74,012	72,302	70,288	68,978	66,723	64,211	64,715	68,129	66,827	65,079

Notes: A Full-Time Equivalent (FTE) is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year). It is not the number of employees on the payroll, nor is it the number of positions in state government. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cumulative hours paid during one fiscal year.

The FTE staff years can be computed two ways:
1. By accumulating all FTE staff months for a full year and dividing by twelve.
2. By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).

Source: Washington State Office of Financial Management.

Full-Time Equivalent Staff Comparison
General Fund
Fiscal Years 1979 through 1988

Table 11B

Function	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979
General government.....	2,492	2,458	2,372	2,410	2,279	2,320	2,327	2,532	2,451	2,477
Human resources.....	13,326	13,166	13,219	12,237	11,734	10,307	10,001	9,472	9,893	9,183
Natural resources and recreation.....	2,493	2,191	2,238	1,988	1,762	1,561	1,816	1,979	2,133	1,748
Transportation.....	386	368	326	297	296	333	300	296	286	243
Education.....	18,532	18,325	17,907	17,664	17,672	16,130	16,984	17,893	19,194	18,303
Total.....	37,229	36,508	36,062	34,596	33,743	30,651	31,428	32,172	33,957	31,954

Notes: A Full-Time Equivalent (FTE) is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year). It is not the number of employees on the payroll, nor is it the number of positions in state government. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cumulative hours paid during one fiscal year.

The FTE staff years can be computed two ways:
1. By accumulating all FTE staff months for a full year and dividing by twelve.
2. By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).

Source: Washington State Office of Financial Management.

STATE OF WASHINGTON

Public School Enrollment Grades K-12
Average Annual Full-Time Equivalent Enrollment
Academic Years 1978 through 1988

Table 12A

Grades	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82	1980-81	1979-80	1978-79
K-8	506,836	487,902	474,549	471,601	473,620	477,511	484,703	489,452	489,876	489,448
9-12	227,005	232,834	234,400	230,946	225,999	224,263	228,061	233,164	239,574	245,449
Total All Grades	733,841	720,736	708,949	702,547	699,619	701,774	712,764	722,616	729,450	734,917

Annual Average for Ten Year Period	
K-8	484,552
9-12	232,170
Total All Grades	716,722

Note: A Full-Time Equivalent student is defined as:
a. Kindergarten -- 4 classroom hours/day for 90 days or 2 classroom hours/day for 180 days.
b. Grades 1 through 3 -- 4 classroom hours/day for 180 days.
c. Grades 4 through 12 -- 5 classroom hours/day for 180 days.

Source: Washington State Superintendent of Public Instruction.

Public Higher Education Enrollment
Average Annual Full-Time Equivalent Enrollment
Academic Years 1978 through 1988

Table 12B

	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82	1980-81	1979-80	1978-79
Community Colleges	84,304	84,406	83,556	83,225	82,317	82,110	86,101	100,357	97,848	88,193
4 Year Schools	69,571	69,191	69,120	69,570	69,966	70,012	71,768	74,164	72,487	70,542
Total	153,875	153,597	152,676	152,795	152,283	152,122	157,869	174,521	170,335	158,735

Annual Average for Ten Year Period	
Community Colleges	87,242
4 Year Schools	70,639
Total	157,881

Notes: A Full-Time Equivalent student is defined as:
a. Undergraduate student -- 15 credit hours per term.
b. Graduate student -- 10 credit hours per term.

Beginning in 1985-86, enrollment at the Tri-Cities University Center is included within the University of Washington enrollment counts.

Source: Washington State Higher Education Enrollment Reports, 1978-88.

STATE OF WASHINGTON

Value of Agriculture Production
Calendar Years 1978 through 1987
(dollars in millions)

Table 13A

	1987 as a % of 1986	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Field crops	91.1	$ 958.6	$1,052.8	$1,230.0	$1,508.7	$1,484.6	$1,356.1	$1,411.7	$1,432.1	$1,012.7	$ 955.1
Fruit and nut crops	75.7	517.1	683.0	490.0	461.5	502.1	388.9	438.4	369.8	457.5	417.8
Vegetable crops	106.8	173.4	162.3	156.0	149.7	138.8	144.9	138.8	119.5	127.1	103.7
Seed crops (1)	135.9	35.6	26.2	25.2	.....	.....	.....	32.0	41.8	32.0	35.3
Berry crops	129.4	32.1	24.8	28.6	22.0	26.8	28.8	22.3	17.3	21.9	20.8
Total Crops		1,716.8	1,949.1	1,929.8	2,141.9	2,152.3	1,918.7	2,043.2	1,980.5	1,651.2	1,532.7
Specialty products (2)	107.4	243.5	226.7	215.7	195.4	179.0	170.1	173.2	160.4	186.0	141.6
Livestock and livestock products	104.3	924.3	886.3	885.2	939.5	908.5	892.5	881.8	811.0	765.9	602.1
State Total		$2,884.6	$3,062.1	$3,030.7	$3,276.8	$3,239.8	$2,981.3	$3,098.2	$2,951.9	$2,603.1	$2,276.4

Notes: (1) Seed crops not available for 1982 through 1984 due to program modifications.
(2) Includes forestry products, nursery products, greenhouse products, other horticultural products, and mushrooms.

"....." indicates data not available.

Source: Washington State Department of Agriculture.

Rank Order of Principal Commodities Value
Calendar Years 1978 through 1987
(dollars in thousands)

Table 13B

Commodities	Rank 1987	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	% Change 87 vs. 86
Milk	1	$474,991	$468,980	$478,471	$466,845	$476,019	$439,991	$416,723	$382,647	$344,011	$291,575	1
Cattle and calves	2	325,594	294,337	287,784	339,578	317,284	335,024	335,151	307,939	307,103	208,426	11
Apples	3	312,400	488,400	348,740	326,220	348,790	252,895	301,530	247,695	332,613	270,648	(36)
Wheat	4	308,570	293,294	437,333	553,208	636,783	561,076	659,932	637,676	460,200	442,152	5
Potatoes	5	231,012	266,385	219,524	293,164	229,840	198,000	209,034	209,034	123,548	123,737	(13)
Hay	6	147,041	172,440	219,278	235,141	206,848	201,894	170,314	216,563	183,309	125,305	(15)
Nursery products	7	100,000	94,000	98,000	100,000	100,000	104,311	98,366	91,094	75,780	61,353	6
Sweet cherries	8	68,332	59,437	36,527	40,654	55,709	37,888	41,479	30,139	41,101	46,966	15
All pears	9	66,895	75,832	69,126	55,428	48,973	52,005	55,352	54,571	52,557	53,052	(12)
Barley	10	65,629	75,150	110,448	143,325	140,352	110,184	110,200	93,948	43,205	43,578	(13)
Grapes	11	55,356	37,120	20,642	20,853	34,252	31,299	30,102	25,865	20,971	35,717	49
Hops	12	49,365	56,439	66,002	86,732	92,061	93,067	89,205	86,166	38,454	34,838	(13)
Eggs	13	48,211	55,577	55,103	67,803	58,110	60,253	64,603	53,095	49,712	43,719	(13)
Asparagus	14	40,257	40,612	42,443	37,454	35,158	33,145	29,268	20,894	26,371	24,335	(1)
Chickens and broilers	15	36,045	36,049	34,060	36,876	30,056	29,760	31,373	27,059	26,842	23,389	(0)
Sweet corn	16	30,867	24,531	27,240	21,240	24,187	35,856	23,910	20,675	23,214	20,450	26
Corn for grain	17	28,560	36,720	57,240	69,750	63,712	72,000	45,201	42,240	34,958	19,562	(22)
Onions	18	27,342	23,770	13,540	20,344	21,555	7,910	22,330	14,562	8,215	11,552	15
Mint oil	19	26,721	27,991	26,862	25,196	17,814	13,409	16,734	19,885	17,116	27,240	(5)
Corn for silage	20	22,000	27,000	26,620	26,450	28,750	30,360	24,182	27,531	20,900	18,895	(19)
Proc. green peas	21	21,714	20,431	23,616	26,932	20,037	25,455	17,907	18,406	30,967	24,174	6
Ky. Bluegrass seed	22	19,404	13,407	8,356	.....	.....	.....	7,436	8,288	7,130	7,878	45
Dry edible peas	23	14,840	18,054	12,981	15,743	19,161	18,614	14,729	17,993	13,884	16,800	(18)
Carrots	24	13,021	12,270	11,257	10,941	8,871	7,436	9,781	11,128	8,376	5,171	6
Red raspberries	25	12,109	10,509	9,433	8,047	7,482	11,892	7,410	4,700	8,852	9,335	15
Mink	26	11,325	8,085	7,910	6,928	5,504	5,909	6,912	6,417	7,740	6,618	40
Alfalfa seed	27	11,172	10,537	14,127	.....	.....	.....	10,736	9,045	10,313	13,954	6
Lentils	28	10,709	26,637	18,270	11,882	9,775	21,165	22,688	43,358	35,160	21,930	(60)
Dry edible beans	29	10,668	11,926	12,922	12,585	6,497	10,341	25,530	29,700	19,200	9,275	(11)
Hogs	30	9,268	7,227	7,223	8,992	9,660	9,477	12,087	18,214	12,742	11,463	28

Note: "....." indicates data not available.

Source: Washington State Department of Agriculture.

STATE OF WASHINGTON

International Trade Facts
All Washington Ports
Calendar Years 1978 through 1987
(dollars in millions)

Table 14A

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Exports (1).....	$ 16,694	$ 15,837	$ 13,215	$ 11,611	$ 12,125	$ 11,345	$ 14,735	$ 14,023	$ 10,920	$ 7,181
Imports.....	29,740	25,040	20,402	19,190	17,863	16,079	18,043	16,128	13,004	10,022
Trade Balance.....	(13,046)	(9,203)	(7,187)	(7,579)	(5,738)	(4,734)	(3,308)	(2,105)	(2,084)	(2,841)
Two Way Trade.....	46,434	40,877	33,617	30,801	29,988	27,424	32,778	30,151	23,924	17,203

Note: (1) These figures indicate total international trade from the state of Washington, including bonded shipments to other states and Canada. (Includes Boeing Company figures.)

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

Major Export Trading Partners
Calendar Years 1978 through 1987
(dollars in millions)

Table 14B

Partners	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978
Japan.....	$4,688	$4,175	$3,477	$3,502	$2,325	$2,462	$2,723	$3,154	$1,958	$1,679
Canada.....	2,609	2,483	2,114	2,296	1,971	1,865	2,559	2,356	2,232	1,704
Republic of Korea.....	1,314	1,110	1,021	963	786	599	669	628	482	359
United Kingdom.....	1,213	550	542	298	101	165	134	138	83	456
Taiwan.....	753	637	659	632	484	269	443	358	260	174
Hong Kong (British).....	685	530	411	60	53	44	35	24	21	.....
China (Mainland).....	656	425	782	292	234	203	169	142	71	40
Fed. Rep. of Germany.....	616	723	525	35	40	49	57	48	39	.....
Australia.....	611	986	932	701	73	81	86	78	64	51
Brazil.....	610	139	211	13	19	20	25	16	15	11

Notes: 1978-1984 statistics represent exports from all Washington State ports by water-borne.
1985-1987 statistics are based on all Washington State ports, all methods of transportation.

"....." indicates data not available.

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

Major Import Trading Partners
Calendar Years 1978 through 1987
(dollars in millions)

Table 14C

Partners	1987*	1986*	1985*	1984*	1983*	1982*	1981	1980	1979	1978
Japan.....	$13,428	$11,438	$9,216	$8,523	$6,668	$6,239	$6,410	$4,900	$3,897	$3,303
Taiwan.....	3,643	3,044	3,214	3,165	2,730	2,419	2,684	2,606	2,695	2,289
Canada.....	3,367	3,009	2,077	1,947	2,347	1,748	2,052	2,030	1,572	1,029
Republic of Korea.....	2,989	1,929	1,349	1,259	1,334	1,024	1,279	1,177	855	639
Hong Kong (British).....	1,328	1,248	950	970	1,189	1,104	1,318	1,335	1,059	623
China (Mainland).....	784	623	464	247	34	29	82	53	32	27
Singapore.....	550	438	315	312	246	206	188	140	119	42
Australia.....	522	440	311	151	70	114	144	64	36	.....
France.....	483	634	532	497	421	449	458	502	460	374
United Kingdom.....	469	441	390	525	374	353	340	316	208	112

Notes: *Based on all Washington State ports, all methods of transportation.

"....." indicates data not available.

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

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ACKNOWLEDGEMENTS

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ADDITIONAL ASSISTANCE PROVIDED BY:
Office of the State Treasurer
Office of the State Actuary
Office of the State Auditor
All State Fiscal Personnel

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City of Bellingham - Pedro Perez, The Bellingham Herald; and City Center Development Authority
City of Bellevue - Jim Hallas, Marymoor Historical Museum; and Journal American
City of Bremerton - John McCurdy, The Sun
City of Leavenworth - Leavenworth Chamber of Commerce
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City of Spokane - Eastern Washington Historical Society, and Citizen and Centennial Committee for Spokane County
City of Tacoma - Department of Community Development, City of Tacoma
City of Walla Walla - Dwight Van Vleet, Walla Walla Chamber of Commerce
City of Wenatchee - The Wenatchee World
Town of Winthrop - Robert W. Hult, Winthrop Film Commission